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The Nation Underwriter

LIFE INSURANCE EDITION

FRIDAY, JULY 22, 1932

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25TH ANNIVERSARY



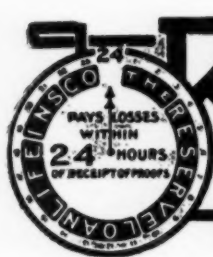
CENTRAL LIFE
INSURANCE COMPANY
OF ILLINOIS



LAZINESS IS NOT THE KEY TO SUCCESS

WRITE FOR GENERAL AGENCY PROPOSITION
AND TERRITORY

RESERVE LOAN LIFE
INSURANCE COMPANY
INDIANAPOLIS, INDIANA.



The National Underwriter

LIFE INSURANCE EDITION

Thirty-Sixth Year No. 30

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JULY 22, 1932

\$3.00 Per Year, 15 Cents a Copy

Study Surrender Charge Problem

Depression Period Brings Question to the Fore in Actuaries' Deliberations

AFFECTING INVESTMENTS

Officials Seek to End Troubles Over Policy Loans and Lapses by Some Changes

In line with a prediction made earlier in the year by President M. A. Linton of the Provident Mutual, actuaries are giving an increasing amount of attention to the changing of surrender charges so as to remove policy loans and their ensuing lapses from the "problem" class.

There are several reasons, particularly acute in times of depression, for having adequate surrender charges. With adequate charges continued over a sufficiently long period, a company would be able to break even after the first year or so. It would be no worse off than if it had not written the business in the first place.

Bad Investment Angles

There are two very bad features from an investment standpoint, which tend to depress the company's ability to maintain as high a rate of income as is consistent with safety. One is the necessity of keeping a large amount of liquid assets in case of demands for policy loans, which puts the life company on nearly the same plane as the savings bank.

The other is that when depressions come and the company should utilize its funds to acquire bargains in bonds or mortgages, it must forego these remarkable opportunities and loan its funds largely to its policyholders. The latter pay a good rate of interest, of course, but the loans are small and aside from unquestioned soundness of security, they are not at all desirable.

Competition Always a Factor

On the negative side of any proposed changes, the arguments are largely those of practicability. Competition is one of the biggest reasons, although it should be possible to obtain cooperation if the situation can be clearly shown as a sufficiently serious problem.

Cooperation on jumbo risks, for example, shows that competition need not be feared unduly. The practical danger is that the economic situation will get better before any general action is taken, leaving the surrender charge problem inactive, until the next depression.

The laws of the various states might have considerable effect, depending on what changes it was desired to make. Statutory limitations, fortunately, deal with the amount of the charge rather

(CONTINUED ON LAST PAGE)

Advise Study of Double Indemnity Before Too Late

CAN AVERT DIFFICULTIES

Executive Believes Clause Is Now in Same Position Income Disability Was Ten Years Ago

NEW YORK, July 21.—Life companies should lose no time in making a thorough study of the double indemnity situation and its possible future developments, many of the best informed executives believe.

"Double indemnity has been generally profitable and so has not received the attention that it would have attracted if it had been unfavorable," one executive states. "While I am not saying that double indemnity has in it the seeds of as much trouble as income disability, yet it may be that the accidental death benefit is now at the stage where income disability was ten years ago. If the companies had gone at the disability problem ten years ago the way they did later they might have succeeded in avoiding some of the experiences that followed.

"If we get busy on double indemnity at once we should be able to avert many difficulties which might otherwise arise. There are several important factors entering into the progressively unfavorable experience with the accidental death benefit. First, there is clear and abundant evidence that it is being used by the public as a means of speculation. Then there is the increase in the death rate from automobile accidents, and third and perhaps most important, the increasing average age of policyholders with double indemnity coverage.

Average Age Increasing

"Life companies do not provide that the assured shall pay a higher premium for his double indemnity coverage upon reaching a certain age and most companies charge a flat rate no matter what the age of the applicant at the time of issue. Thus there is an increasing hazard, due to the increasing average age, that is not offset by any corresponding increase in premium income or decrease in the amount at risk.

"One may wonder why the companies should be concerned when most of them are making money on double indemnity or at the worst losing a comparatively trifling amount. It is the possibilities that may arise from these causes that make it doubtful whether double indemnity will continue profitable and cause actuaries to wonder just how much more unprofitable it may be expected to become.

"We are watching the large cases especially carefully for many of these are on the borderline of speculation and the selection against the companies may be tremendous. It is extremely difficult to resist suicide claims under the double indemnity clause, especially deaths from carbon monoxide and bogus accidents.

Claim Men Not Equipped

"As compared with commercial accident companies, life companies have an advantage in that their widespread writing of the accidental death benefit eliminates much of the adverse selection

Program Is Arranged for the Managers Conferences

WILL HOLD GROUP MEETINGS

National Life Underwriters Association Announces Schedule for the Important Gathering

C. O. Fischer of St. Louis, general agent Massachusetts Mutual, is chairman of the managers program committee for the annual convention of the National Association of Life Underwriters at the San Francisco convention. At the morning session, Aug. 16, W. M. Hammond of Los Angeles, manager Aetna Life, will talk on "Securing Business Under Present Conditions." F. H. Haviland of Chicago, manager of the Connecticut General, will speak on "Permanent Agency Building." F. J. Koster of San Francisco, president California Barrel Company, will speak on "The Successful Sales Executive of 1932."

In the afternoon there will be three groups. At the end of the group meeting all will reconvene to listen to Executive Vice-President Walter E. Webb of the National Life, U. S. A., who will speak on "Your Job." The group subjects are as follows:

Group I

(Rural territories and cities up to 100,000.)

Carol C. Day, Pacific Mutual, Oklahoma City, chairman.

Lester O. Schriver, Aetna Life, Peoria, Ill. Subject: "Recruiting and Training New Men."

Fred J. Joyce, Mutual Life, Phoenix: "New Training for Old Agents."

Group II

(100,000 to 750,000 population.)

Ray Hodges, Ohio National Life, Cincinnati, chairman, Rene Banks, Penn Mutual, Denver. Subject: "Recruiting and Training New Men."

L. P. Good, manager Prudential, San Diego, Cal. Subject: "New Training for Old Agents."

Group III

C. W. Peterson, Phoenix Mutual, San Francisco, chairman.

Ralph G. Engelsman, Penn Mutual, New York City. Subject: "Recruiting and Training New Men."

that the accident companies are likely to get. However, against this advantage may be set the drawback of having claim departments that are less well organized and equipped to handle and contest double indemnity claims which should not be paid.

"As to underwriting the double indemnity benefit, no hard and fast rule can be laid down. The larger cases, especially, must be scrutinized according to their individual merits, since it is in this group that the chances of speculation are most pronounced. Close attention should be paid to the reason for which double indemnity is desired. Insurance on the life of a debtor, for example, or business insurance on a valuable executive does not call for double indemnity although there might conceivably be exceptions where the sudden death of an executive might be more damaging than a gradual one."

Disability Taking a Minor Position

Restrictions and Higher Rates Appear to Have Accomplished Purpose

CLAUSE LESS ATTRACTIVE

Agents Reported Not Pushing This Coverage as Special Appeal Now Is Lacking

Very little of the \$5 a month per \$1,000 disability coverage is being sold in comparison with the volume of business done on the old form, according to recent indications. The new and drastically modified rates and provisions seem to have had the desired effect of relegating disability to the subordinate place in the life contract that it was originally intended to occupy.

This fact, and the extremely strict selection on disability, forestalling the increased possibilities of adverse selection, have pretty thoroughly put disability in the background as a talking point for the sale of life insurance.

Taking Subordinate Place

It is there if the prospect asks for it, but agents, knowing the wariness of home offices, are not encouraging their applicants to apply for disability coverage.

The doubling of the amount of life insurance necessary to provide a given amount of monthly income and the big jump in the rates have been quite effective in keeping applicants from buying life insurance just for the sake of the income disability benefits.

Income disability under previous provisions may or may not have been a bargain for the honest policyholder, but it certainly was capable of firing the imaginations of those whose consciences were either very elastic or non-existent.

Prospect Less Attractive

The situation is decidedly different now. With twice as much life insurance to buy as a prerequisite, with a 75 percent higher disability premium, with the necessity of stretching his illness to six months instead of three or four, the applicant who figures on becoming a professional disability collector has a far less attractive field for his endeavors.

Many changes were made in income disability provisions from its inception to the present time, for actuaries were not long in perceiving that claims were running higher than they had calculated. Until July, 1930, however, the concessions granted usually more than offset the check on losses.

The present form of coverage seems not only to have provided adequate rates and restrictions but also to have cut the volume down to the point where, even in the unlikely event that experience should be bad, there will not be enough of it to be a serious problem.

Permanent Suicide Clause Is Not Favored by A. L. C.

REJECTED PLAN LAST YEAR

Position of Organization of Smaller
Companies Interesting in View of
Life Presidents' Deliberations

In view of the fact that a special committee of the Life Presidents Association has under consideration recommendation of adoption of a permanent suicide clause, it is interesting to recall the attitude of the American Life Convention on the question.

About six months ago the legal committee of the American Life Convention recommended the idea of a permanent suicide clause be abandoned. The committee took the position that elimination of excessive suicide losses could be most effectively accomplished by proper underwriting with emphasis on avoidance of overinsurance.

The committee contended that the companies would have great difficulty in defeating payment under a permanent clause. Proof would have to be so incontrovertible as to overcome the human sympathy of the jury for the beneficiary where the insurance had been in force for many years.

Studied Suicide Claims

In arriving at that conclusion, the legal committee made a study of litigation over suicide during the first policy year and during the second. It was discovered that the companies were successful in combating most claims, where suicide occurred during the first policy year, but that the second year results were far less satisfactory from the company viewpoint. The assumption was that, even with a two year suicide clause, juries felt that by the second year the insurance had become seasoned and the company was at a disadvantage in getting justice under the contract.

Of course, the suicide problem is not so acute with most American Life Convention companies, not having participated so extensively in the writing of jumbo lines. There have been suicides in all strata of society, but the suicide of the average man has not borne so heavily on the insurance companies as that of the front office man.

Stimulate Summer Business

The New York Life is writing non-medical business from July 18 to Sept. 17 to stimulate summer production. The amount of insurance is limited to \$2,000 for any applicant who has not been previously examined by the company since 1926. Policyholders who have been examined for standard policies may secure more than \$2,000 new insurance under certain restrictions. The New York Life does not regularly write non-medical business except in rural districts. It has used the non-medical summer campaign successfully for several years.

Twin Cities C. L. U. Men Meet

A meeting of Twin Cities C. L. U. chapter will be held at Minneapolis Aug. 6 with Dr. S. S. Huebner the principal speaker. Plans will be discussed for next winter's course, which probably will be built on the general subject "Economic Problems of Modern Life."

Last fall 55 enrolled for the course and 25 received their certificates.

Good Will Outing Held

DETROIT, July 21.—Thirty-five general agents and managers representing the principal life insurance companies doing business in Detroit attended the "good will" outing of the Associated Life General Agents & Managers of Detroit at Lockwood Country Club near Kingsville, Ont., last week.

Chief Factor in Deal for Company Consolidation



CHARLES E. BECKER

President Charles E. Becker of the Continental National Life of Denver and Great American Life of San Antonio, Tex., is the main figure in the consolidation of these two companies, which are controlled by the Great American Life Underwriters, a holding company of which he is the head.

Agents Often Overlook Good Prospect Right Before Them

Sometimes agents pass by excellent prospects. Some months ago Mrs. Paul Lockman became secretary to Clay F. Reed, vice-president of the Great American Life of San Antonio. He has his office in Dallas and is adjacent to the Dallas agency of his company. The agents pass Mrs. Lockman's desk a number of times a day and stop to converse with her. She inherited several thousand dollars of life insurance from the estate of her husband. She had the money deposited in the bank and was worried about bank failures and business reverses which might affect her. During a conversation recently with Mr. Reed and President C. E. Becker of the company she spoke about the uncertainty and asked their advice. As a result Mrs. Lockman purchased a single premium endowment, the premium amounting to \$1,500.

Stotz Holds Agency Meeting

R. R. Stotz of Grand Rapids, Mich., general agent Mutual Benefit Life, arranged for the mid-summer agency meeting of his force last Saturday in Grand Rapids, there being 46 agents present. Vice-president J. S. Thompson was on from the home office to give the main talk. Mr. Stotz conducts a very successful agency.

Explanation Is Made

SAN FRANCISCO, July 21.—The Life Underwriters Association national convention committee has issued a statement that the report that only members of the National association can attend the San Francisco convention is incorrect. This rule applies to residents of San Francisco and the East Bay only and does not apply to underwriters in other parts of California or United States or Canada. The statement says "it is obvious we cannot adopt rules governing National association affairs but will insist that those living in the convention city be members of the local associations in order to attend the great national convention here Aug. 16-19."

Two Companies Arrange for Consolidation of Resources

C. E. BECKER IS AT THE HELM

Continental National Life and Great
American Life Unite Under the
Name of Latter

Announcement is made by President Charles E. Becker of the consolidation of the Continental National Life of Denver and San Antonio, with its affiliate, the Great American Life of San Antonio. These two companies are controlled by the same financial interests and have been operating units of the Great American Life Underwriters, a Texas management institution. The name of the combined company will be the Great American.

The Continental National was originated in Denver three years ago by President Becker and associates. Shortly after it began production the Great American Life was placed in the field with the financial control in the holding company. In January of this year the Continental National was moved to San Antonio as a running mate for the Great American with its offices adjacent.

The consolidated company has in excess of \$10,000,000 of business in force and capital and surplus of over \$400,000. The Continental National has been licensed in 10 states while the Great American is operating in Texas and Colorado only. The operations of the consolidated company will be confined to Texas primarily, in addition to several other states where the company has a number of stockholders.

The Great American has been financed in the past two years through the operations of an energetic organization which has refused to be blinded by bad economic conditions. As a result, it has approximately 5,000 stockholders scattered through 12 states.

President Becker's Statement

In a statement issued to the stockholders of the two companies, President Becker says: "The Continental National and the Great American will consolidate July 21 under the name of the latter, resulting in benefit to all concerned. The stockholders will have accruing benefit from having a much stronger company and through greatly reduced overhead expenses. It is important and interesting that the Continental National is being combined at a time when its business in force is greater and its capital and surplus account is healthier and larger than at any time since its inception.

"Practically 100 percent of the consolidated company's investment portfolio has been purchased since January, 1930, on a declining market and at this time, fully 75 percent of its assets are invested in United States government and high grade municipal bonds. We feel that this strength alone places the company in a very visible advantageous position.

Wants Compact Organization

"The companies' officers, directors and stockholders comprise virtually the same names and it is only natural in these days of many consolidations to unite the two organizations to bring about a highly compact institution. We propose to build in Texas a company entirely worthy of its name; the companies' remarkable ability to construct their business, expand and show constant increases in the past two years of economic upheaval is the basis for thought that the future will bring many pleasant and satisfactory results to both stockholders and policyholders."

Associated with Mr. Becker, who at age 35 is one of the youngest life presidents in the country, are such able executives as W. J. Hiller, formerly associate actuary of the Bankers Life of

National Trade Union Act Is Repealed by Congress

RELIEVES TEXAS SITUATION

Concerns Operating Under Federal
Charters Cause Much Trouble for
Department There

WASHINGTON, July 21.—Without debate, the house of representatives passed and sent to the President the measure, approved earlier in the week by the senate, repealing the act to legalize incorporation of national trade-unions.

With a measure passed earlier in the session, requiring insurance companies to maintain their principal office in the city where the charter was issued, aimed at Texas concerns incorporated under this act with a charter in the District of Columbia, it is believed Congress has put a stop to certain undesirable insurance practices.

The incorporation act was passed in 1886 but it was not until 1928 that any use was made of it. Since then 27 so-called national trade-unions were formed, all operating in Texas, and all conducting an insurance business.

May Need Further Legislation

The legislation to repeal the act was sponsored by Senator Sheppard of Texas, who sought the abolition of these companies at the request of the Texas department. It is possible that additional legislation may be necessary to insure ridding the state of them, the senator said after passage of the measure, and there is some question whether those now doing business under a District of Columbia charter would be allowed to continue in business under that charter.

The effect of the bill, however, is to force new insurance companies to obtain their charters from the state superintendent of insurance, by which means the state will gradually acquire supervision over all insurance. Whether existing companies will lose their District charters has not yet been determined, but if they do not, the senator announced, suitable legislation revoking the charters will be introduced.

Numerous complaints have been received by the Texas delegation in Congress about the national trade-union insurance associations, it was stated. The Texas commissioner instituted suit over a year ago to compel them to come under state supervision, but the companies claimed federal jurisdiction and demanded that the case be tried in a federal court. Actually, there was no jurisdiction over their activities, because the District of Columbia insurance superintendent had no control over them, as they were not located in Washington, and Texas had no control because they were chartered in the District of Columbia under federal laws applicable only to the District.

Higdon Has New Son

It hasn't been altogether the heat that has caused the strange actions of J. C. Higdon, vice-president in charge of sales of the Business Men's Assurance of Kansas City. Most of it has been Donald Higdon, who arrived at the Higdon home July 8.

Nebraska; R. H. Brand, identified with the Becker organization for the past eight years; G. F. Fellay, treasurer and banker; Perry Clemans, secretary and banker, and E. V. Shipley, vice-president and director of sales, formerly Rocky Mountain manager of the Central States Life.

The united Great American will occupy 2,000 feet of floor space in the Milam building at San Antonio, with one of the finest equipped plants in the country among the younger companies.

Claims of Ad Men Are Scrutinized

Comparison of Advertising and
Non-Advertising Life Com-
panies Causes Interest

CONCLUSIONS CHALLENGED

"Printers' Ink" Reports Survey At-
tempting to Prove Value of Na-
tional Advertising Campaign

NEW YORK, July 21.—Advertising agencies, in their intensive efforts to sell life companies on going into national advertising campaigns, should be careful that the arguments and data they use to support their contentions do not prove exactly the opposite upon careful analysis, an advertising executive of a prominent company points out.

"An advertising solicitor just showed me a recent copy of 'Printers' Ink,' in which its vice-president and associate editor, Roy Dickinson, describes a survey made by a San Francisco advertising agent to prove the value of a consistent national advertising campaign over a period of years," he said. "Apparently it makes out a splendid case for national advertising, and although the author admits that there may be other factors, the tone of the article clearly indicates that Mr. Dickinson believes that national advertising had a good deal to do with the more rapid gains in volume made by the long-term advertisers."

Ad Men Seize Data

"However, to one familiar with the life insurance business the figures and charts cited would seem to prove, if they prove anything, that the exact opposite is the case. I have no prejudice against national advertising campaigns and I prefer to believe that the article does not prove anything definite either way. There is evidence, though, that such data have been seized upon with great avidity by advertising men hoping to interest life companies in advertising to the consumer."

"In the use of such 'proofs' by advertising agents lies the danger that the life companies being solicited will become skeptical of other statements the agent may make and which the company is not in a position to analyze."

"Mr. Dickinson's article compares the record of four life companies which consistently ran national advertising throughout the last decade with that of ten prominent companies which did not advertise consistently during that period. The four advertising companies are the Metropolitan Life, Prudential, John Hancock and Phoenix Mutual. The ten non-advertising are the ten largest other companies, except the Aetna Life, which was not included in either group because although not a consistent ten-year advertiser, the company has received much indirect advertising through its general insurance affiliates' advertising."

Gains Are Analyzed

"Now, any life insurance man would immediately perceive that three-quarters of the advertising companies are the three principal industrial companies, the two largest of which, if combined, would be more than twice as large as all the other life insurance companies in this country. Any well-informed life insurance man would realize that the past decade was the period of the enormous expansion of the industrial companies in the ordinary field. If it appears that the

(CONTINUED ON LAST PAGE)

Kentucky Home Life Nears Completion of Its Program

JULIUS BARNES BIG FACTOR

New Company Hopes to Be in Shape
Soon to Take Over Inter-
Southern

LOUISVILLE, July 21.—B. S. Washer, Louisville attorney, who has conducted the negotiations looking to the formation of the Kentucky Home Life, stated that negotiations had progressed rapidly over the past week, and would move forward more rapidly the coming week.

The three major items in the immediate program are, first, the filing of the articles of incorporation for the new company. Next in order will be a meeting of representatives of the new stockholders, naming of directors, and the latter in turn will elect officers to serve.

Next will be a hearing by Circuit Judge Ford at Frankfort, Ky., to approve completion of the program as had been outlined to him at the time he sanctioned its formation for taking over and handling assets of the Inter-Southern Life in receivership.

Definite announcement was made several weeks ago that Federal Judge C. I. Dawson would serve as chairman of the board of the Kentucky Home Life, and Mayor W. B. Harrison would be its president. There is nothing further available as to the personnel of the official family at this time.

Barnes Enters the Picture

Last week it became known that Julius H. Barnes, representing eastern interests, was elected chairman of the board of the Missouri State Life and would also be named a director of the Kentucky Home Life.

It became known that Mr. Barnes would be in Louisville early this week in connection with completion of details regarding formation of the Kentucky Home Life. It was also understood that there would be a meeting here of the interests behind the formation. Apparently Mr. Barnes is representing eastern interests who are the main factors in financing the Kentucky Home Life. A number of Louisville men have felt that his naming to the boards of Missouri State Life and Kentucky Home will have a very fine stabilizing effect, and create confidence to a point where the outlook for these interests is much brighter.

Good People on the Board

The tentative directors of the Kentucky Home Life include some very good names, of outstanding men of affairs in Louisville and Kentucky, plus just a few representing eastern capital behind formation of the company.

It also became known that the company expects to be in operation considerably shorter than 30 days from now, this being made possible by a ruling of the attorney general that it will not be necessary for the company to advertise its formation in the press for 30 days prior to starting business, in that such advertising of purpose is a provision of the blue sky department, whereas it is claimed that the Kentucky Home Life will have no stock to market.

Reports indicate that complete accord has been reached in the proposal to pool for five years control of stock of the Missouri State Life, including the 148,500 shares held by the Inter-Southern. This block of stock is very important for the welfare of Missouri State.

Can Continue as Mayor

It is quite likely that Mayor Harrison will be enabled to continue in his post of mayor, as well as serve the new Kentucky Home Life as president, the

(CONTINUED ON PAGE 9)

Made Chairman



JULIUS H. BARNES

Julius H. Barnes, former president of the United States Chamber of Commerce, who becomes chairman of the board of the Missouri State Life, is head of a number of enterprises of various kinds and is one of the foremost business men of the country.

Mulligan Heads Committee

Chairmen Are Announced by the New
York City Life Underwriters
Association

NEW YORK, July 21.—F. J. Mulligan of the J. C. McNamara agency of the Guardian Life has been elected chairman of the executive committee of the New York City Life Underwriters Association. He was formerly vice-president of the association and editor of its publication, the "Bulletin." Last year he was chairman of the membership committee.

Committee Chairmen Named

The following committee chairmen have been appointed by President W. E. Barton:

Business conduct: Russell Simons, Home Life; vice-chairman, W. H. Beers, New England Mutual; Sales Congress, J. E. Bragg, New York University; vice-chairman, G. L. Hill, C. L. McMullen agency Northwestern Mutual; Banquet, M. L. Lane, Connecticut Mutual; Educational, E. J. Sisley, Travelers; Budget, H. E. Morrow, Penn Mutual; Law and Legislation, J. S. Myrick, Mutual Life of New York; Membership, W. J. Dunsmore, Equitable Life of New York; National Convention, R. L. Jones, State Mutual; Entertainment, J. M. Fraser, Connecticut Mutual; vice-chairman, A. A. Wiederhold, Union Central; Underwriting Fund, W. R. Collins, the Travelers; Trust company cooperation, L. G. Simon, Equitable Life of New York; Conservation, G. B. Dorr, Equitable Life of New York; Company Relations, W. F. Atkinson, Northwestern Mutual Life; Complaint, G. C. Wuerth, Northwestern Mutual; Institutional advertising, Lloyd Patterson, Massachusetts Mutual; vice-chairman, F. L. Lane, Home Life; Insurance Thrift Day, J. C. McNamara, Guardian Life.

Ellers is a Candidate

G. C. Ellers, local agent of Wentahee, Wash., has announced his candidacy for insurance commissioner on the Democratic ticket.

Julius Barnes in Official Family

Well Known Business Leader Be-
comes Chairman of Missouri
State Board

ARRANGING VOTE TRUST

Effort Being Made to Eliminate All
Financial Speculation in the
Company's Stock

Julius H. Barnes, who becomes chairman of the board of the Missouri State Life, was former president of the United States Chamber of Commerce, and acted as chairman of President Hoover's national business survey conference. He has taken an active interest in the company and will continue to make his home in Duluth and maintain his chief business office in New York City. He will spend several days each month at the head office of the Missouri State.

Theobald Fells of Cincinnati, who has been chairman of the board, retired from that position. He is the largest single stockholder outside of the Inter-Southern Life.

Become Financially Interested

Mr. Barnes stated that he and his associates have become financially interested in the Missouri State. In commenting on the company he said that its growth is inevitable with the expansion of western territory. He declared that the present need in the business world is for more courage and a new confidence in the creative growth of the country. Former Missouri Supreme Judge F. L. Williams of St. Louis has resigned from the board so that Mr. Barnes could be elected.

Interested in Many Enterprises

Mr. Barnes is becoming well known in the investment side of insurance. He is chairman of several investment trusts that have substantial holdings in a number of insurance companies. Mr. Barnes came into prominence insurance-wise some months ago when it was announced that he and his associates were organizing the Lloyds Insurance Company, which eventually it is supposed will take over the Lloyds Casualty, Detroit Fidelity & Surety and the Constitution Indemnity. Mr. Barnes is president of the Inter-Continental Development Company, chairman of the board of the Pitney-Bowes Postage Meter Company, which provides high speed mail substitutes for stamps; president of the Erie & St. Lawrence Co., operating a fleet of motor ships from Philadelphia and New York to western ports on the Great Lakes, chairman of the board of the Pejepscott Paper Company. He acted as president of the United States Grain Corporation during the war. President Wilson appointed him United States wheat director during the time of the war.

Back of Kentucky Home Life

Mr. Barnes is head of the Insuranshares Corporation and Insuranshares Certificates, both owners of insurance stocks. They are managed by the Insuranshares and General Management Corporation, Mr. Barnes being president. He is also head of the Insurance Equities Corporation, a holding company.

Mr. Barnes attended the board meeting of the St. Louis Life, coming by airplane from New York. He is a regular patron of leading commercial airplanes.

(CONTINUED ON LAST PAGE)

What a Father Did for His Daughter

WHEN she was 25 years old he bought for her a single-premium life annuity of \$1000 a year payable \$500 semi-annually.

That was over 43 years ago. In all she has received \$43,500; and the New York Life will, of course, continue to send her a check for \$500 every six months as long as she lives.

She is almost 69 years old, a widow.—Can you think of any other gift her father could have made her that would have been so enduring, so helpful to her, so thoroughly significant of his desire to make her life financially safe?

He had protected her whether he lived or not, whether she married or not and (if she married) whether her husband should prosper or fail or leave her unprovided for in event of his death.



HOME OFFICE BUILDING

**NEW YORK LIFE
INSURANCE COMPANY**

**51 MADISON AVENUE
NEW YORK, N. Y.**

Borden Against Changing Policy

Strong arguments against dropping an old, heavily loaned policy and buying a new unincumbered one at attained age are contained in the conservation plan of the Equitable of New York, built around a clearly and convincingly written pamphlet, "The Mortgaged Policy," prepared by the actuarial department of that company.

Albert G. Borden, second vice-president, comments in a letter to general agents, agency and unit managers, on the problem so often met now if a man who is paying not only premiums but loan interest on a policy which at his death would be worth only 70 or 80 cents on the dollar due to the first lien represented by the policy loan.

Loan Pure Banking Matter

"Of course, one answer to the problem would be to point out that the loan transaction is essentially no different from any other obligation, such as a loan at the bank on which interest is charged," Mr. Borden wrote. "No policyholder except in sheer necessity would repay such a loan by surrendering a policy which for years he had owned free and clear.

"Viewed from another angle, the funds borrowed on his policy may have been diverted to other productive channels earning an income for him or reducing his interest payments on some

other obligation. In either case, saving from such sources would tend to offset, and sometimes more than compensate, for the interest charged on the policy loan.

Figures Are Often Needed

"Nevertheless, a policyholder will not always respond to this reasoning, and may insist upon considering the policy and the loan as linked together. In such a case, the agent must present figures to prove that his client will benefit by retaining his original policy.

"All life insurance is based on the mortality table, and all life insurance policies are mathematical equivalents. You cannot start again at a new age, therefore, without a loss. A policy replacement usually involves a duplication of sales expense for the policyholder. Thoughtful agents know all this, but they are sometimes at a loss for figures to prove it.

Stands for Unbiased Advice

"The Equitable expects its agents to give clients the sound, professional advice to which they are entitled. As our contact with the public is through our agency force, and the cashier, it is essential that every Equitable representative give only this kind of advice to a policyholder, whether he be a policyholder in the Equitable or in any other sound and reputable company."

Indiana Attorney General's Ruling on Policy Delivery

Attorney General Ogden of Indiana has given an opinion stating that because of the conflict in authority in court decisions as to when delivery of a policy is complete, under section 8 of the acts of 1909 the insurance commissioner may refuse to approve policies containing clauses providing that the company shall not be liable until after the policy has been manually delivered during the lifetime and good health of the applicant. Approval could be denied, the attorney general said, on the ground that such clauses are unfair to the insuring public, being more favorable to the company under contract.

Commissioner Kidd asked the attorney general whether mailing of a policy containing such a clause to the agent, when the premium had previously been paid by the applicant, constituted delivery as of the beginning date of the policy under the Indiana statutes. The attorney general said that the statutes were silent on the point and the precise question had not been passed upon by the state supreme court. Under some circumstances, he asserted, the mailing of a policy to the agent when the premium has been paid in advance may constitute delivery, while in other instances it may not.

Condemn Part-Timers

The Life Managers Club of San Antonio, Tex., has passed a resolution condemning part-time agents' contracts in Bexar county. It is recommended that all companies refrain from making part-time contracts unless it is agreed that the agent become a full-time man within six months and if he does not his part-time contract will be terminated. A copy of the resolution is being mailed to all life companies operating in the county.

Preconvention Golf Tournament

A "pre-convention" golf tournament was held at San Francisco Golf & Country Club this week by members of the San Francisco General Agents & Managers Association and San Francisco Life Underwriters Association. The tourney was 18 holes medal play in foursomes.

Notice of Filing Claim Was Chief Issue in Group Case

The Arkansas supreme court in *Baron vs. Missouri State Life* takes up the time limit on a group policy in case of sunstroke. A railroad carried a group policy and it required that claim must be made within 90 days. One of the employees died of heat prostration. Some time after his death his beneficiaries discovered the group certificate. She employed an attorney and although working diligently he was five months in concluding his investigation. The company denied liability. The court held that it cannot be said as a matter of law that the delay in giving the notice was unreasonable and that the court correctly submitted that question to the jury. Under an accident policy an instruction, which in effect told the jury that if the heat stroke, the alleged cause of the death was the proximate cause of the death, the defendant would be liable, notwithstanding his death might have resulted at a later date from a latent disease, regardless of the heat stroke was correct. Judgment for the plaintiff therefore was affirmed.

Overcome by Gas, Recovers

Overcome by gas in the laundry of his home at Madison, Wis., H. C. Larson, recently appointed a special agent by A. C. Larson, Wisconsin state agent of the Central Life of Des Moines, lives to tell of a most unusual accident. Mr. Larson was asked to go into the laundry of his home to look after some trouble in the equipment Monday. He became deeply interested in finding the trouble and adjusting the machinery. Meanwhile a kettle of water which was being heated boiled over and put out the flame of the gas stove under it. Mr. Larson did not notice the escaping gas and was suddenly overcome. In just a few minutes Mrs. Larson came down and found her husband unconscious. She called police who took the victim to a hospital where he was revived after a time and later he was reported to be recovering satisfactorily.

Charles R. Bryant has been appointed general agent at Seattle, Wash., for the Service Life of Nebraska.

Interesting Features From the Connecticut Report

INDUSTRIAL MAKES A GAIN

New Business in Other Lines Showed A Material Decline When Compared with 1930

An increase of 6.17 percent in new industrial life insurance and decreases of 3.25 percent and 41.74 percent respectively in new ordinary and group life written in Connecticut in 1931 by the 45 life companies licensed to operate in the state are indicated in the report of the Connecticut department. Life insurance of all kinds written in Connecticut in 1931 amounted to \$33,753,500, compared with a total of \$350,589,057 written in 1930. New ordinary life issued to Connecticut residents in 1931 totaled \$188,134,913, a decrease of \$6,324,972 from the total for 1930. While the volume of new ordinary life insurance declined, the number of policies issued increased over 1930, showing that more persons bought such protection for lesser amounts than during the previous year.

There was a decrease of \$26,262,753 in the amount of new group insurance written in Connecticut in 1931, the total of new business being \$36,705,226 as against \$62,967,979 for 1930. The Connecticut companies wrote more than half of the new group insurance issued in Connecticut in 1931, the total being \$18,861,709.

A further large increase in policy loans in force in all companies was one of the most striking developments in 1931. This increase over 1930 was \$469,318,508 as compared with \$350,435,974, the increase during 1930 over the previous year.

Connecticut companies wrote 3.20 percent of the ordinary life in Connecticut

in 1931. They wrote 8.71 percent of the total ordinary life written by all the companies reporting to the insurance department. They had 12.09 percent of all the ordinary life in force as of December 31, 1931, and 26.89 percent of the insurance in force in Connecticut on that date. They had 36.00 percent of the group insurance in force in companies reporting here at the end of 1931, as well as 70.80 percent of the group business in force in Connecticut.

The ratio of actual to expected mortality for all life companies reporting to Connecticut was 62.8 percent for 1931 as compared with 61.6 percent for 1930.

The six leading companies in ordinary new business issued in Connecticut during 1931 are as follows:

Metropolitan Life	\$45,632,650
Prudential	21,522,329
Travelers	13,055,532
John Hancock Mutual.....	12,198,435
Phoenix Mutual Life.....	9,622,349
Connecticut General	9,025,811

Taxpayers League Protests

A Lincoln, Neb., taxpayers league has complained to the county tax equalization board that many corporations, including life companies, are paying less than their share of taxes, stating that taxation upon a basis other than property values is discriminatory. Since the supreme court has held that taxing life companies on the basis of gross premiums is constitutional, the board has indicated it will not grant the relief asked. The league has threatened to take the matter to the supreme court again.

John W. Pattison Married

Capt. John W. Pattison, chairman of the board of the Union Central Life, was married last Friday in New York City to Miss Marie Schoener of Newport, N. Y. Capt. and Mrs. Pattison left on the French liner "France" on a honeymoon trip. They will return to Cincinnati in the fall.

Company Is Upheld in Its Contest on Disability Case

POLICYHOLDER WAS INSANE

Mississippi Supreme Court Stated the Condition of Assured Did Not Constitute a Waiver

The Mississippi supreme court in *Barry vs. Lamar Life* decides a disability case. The insured became insane and died while in that condition. It was alleged that by reason of his insanity he was unable to give notice and make proof of disability and no member of his family knew about the terms of the contract until after his death. It was further alleged that three premium paying dates elapsed without the premiums having been paid, but that during this period the deceased was, by reason of his insanity, unable to report or make such proof.

The trial judge ruled that this case was controlled by the pronouncement of the supreme court in the case of *New York Life vs. Alexander*, 122 Miss. 813, but indicated that if it were not for this decision he would hold to the contrary. The appellant concedes that if the decision in that case is not overruled, the judgment of the court below in sustaining the demurrer was correct, but contends that the decision is unsound and should be overruled.

Decision of Supreme Court

The supreme court held that while the authorities in other states are conflicting as to such provisions under such circumstances, it sees no reason to overrule the decision in the *Alexander* case. It says there is sound reason why insurance companies should be permitted to have in their policies a provision requiring proof to be made before waiver

if the policy becomes effective. In order to determine whether a claim is just and bona fide, it should have opportunity to investigate the facts at the time the disability occurs or accrues upon which the waiver of premiums depends. Judgment for the company is affirmed.

New Florida Book Is Out

Florida is famed for its citrus fruit, great winter resorts, magnificent beaches and its varied kinds of succulent eatables. In addition it is an insurance state of distinction. This is brought to light by the new *Underwriters Handbook of Florida* issued by THE NATIONAL UNDERWRITER, which covers all phases of insurance in the state, giving company information, lines fire companies write, statistics on Florida business, list of Florida field men and then the insurance directory of each city and town in the state. It is a valuable reference work and puts Florida in a high class insurance-wise.

Aetna Outing in Wisconsin

Members of the Milwaukee, eastern and western Wisconsin divisions of the Aetna Life with their families attended the annual outing of the Albert E. Mielenz general agency of Milwaukee at Lake Geneva last week. Mr. Mielenz also attended the annual outing of agents and their families in the northern division, held at Waupaca, Wis.

Shifted to Home Office Agency

Paul Taylor, superintendent of renewals at the home office of the California Western States Life, has been assigned to the home office agency as organizer and assistant to Agency Manager F. I. Johns. He has been a steady producer, selling life insurance after office hours and during vacations. He was formerly on the staff of the Sacramento Bee.

The Metro Coin-Controlled Electric Clock Will Sell Insurance and Collect the Premiums!

Sell the multitudes who say that they can't pay for more protection.

Practically eliminate policies of less than \$3,000.

50 to 75 policies a month is an easy goal.



The Metro collects 25c every day—nearly \$100 a year.

When the money is due the clock starts to buzz, gently at first and gradually growing louder and louder until the money is deposited. People will pay, all right!

The coin slot is in the back, entirely out of sight.

Each Metro Clock Will Bring You From 10 to 15 Times Its Cost!
Single Clock at Dozen Lot Price \$3.85. Order a Sample on Ten-Day Approval

THE METRO MFG. COMPANY
8435 Broadway
CLEVELAND, OHIO

COUPON

Metro Mfg. Co.,
8435 Broadway, Cleveland

Please rush one Metro Clock, \$3.85 C. O. D. subject to return in ten days for full refund.

NAME
STREET
CITY

Oklahoma Southern Life Is Using Two Production Plans

I. P. MANTZ EXPLAINS METHOD

Uses the Direct Mail System for Selling Term Insurance to the People

I. P. Mantz, former Des Moines actuary, who is now manager of the "Direct to You" department of the Oklahoma Southern Life of Oklahoma City, explains the method that is followed in his particular work. Mr. Mantz was formerly connected with the Union Mutual Life of Des Moines when it started to do exclusive mail business. It has always been his view that the direct solicitation plan should be combined with an agency plan in such a manner that each method of selling will be of advantage to the other and that solicitation for business should be concentrated and confined to territory in which the company is licensed to do business and in which it can build up an agency organization to take advantage of publicity through its direct sales department. He says:

Aims to Cooperate

"In the first place the advertising campaign and literature sent out is not designed to eliminate agents but rather as a method of cooperation with agents. We feel that at this time there is a certain type of life insurance, particularly term insurance for which there is a demand and a need. But this form of insurance does not meet the needs or the demand of all classes of people. On the other hand, it is our conclusion, based upon experience, that this simpler form of insurance cannot be sold profitably through agents to the limited class of people interested in it, and that agents

in attempting to confine their efforts to selling term insurance are not building up a constructive business for themselves. We also feel that the contract of term insurance is so simple in its form that it is hardly necessary for an agent to solicit those who need and want that kind of protection.

"On this 'Direct to You' plan we confine our efforts to the sale of term insurance to meet certain prevailing conditions. We do not represent in our literature that we save 40 percent of the cost by eliminating agents, but that under the form of policy submitted the same amount of present protection is obtainable at about 60 percent of the premium ordinarily paid for life insurance. In other words we give the insured the opportunity of purchasing protection without obligating him to make additional investment deposits as a condition to securing such protection.

"Naturally, as a result of our advertising and circularization we get in touch with many prospects who desire whole life insurance or investment features in connection with their contracts. In such case we feel that the prospect needs and is entitled to some personal counsel and advice in making his selection. Therefore, this type of prospect is turned over to an agent of the company, if it is agreeable to the person making the inquiry. Agents of the company are willing to follow up these prospects at a lower commission rate than we pay on business secured entirely on their own initiative.

"The company does not advertise or solicit business in any state in which it is not licensed, confining its efforts entirely to Oklahoma where it has an agency organization. If in the development of our business we decide to solicit business in other states we shall apply for license in such states with a view of building up an agency organization therein to work in cooperation with any mail or advertising campaign we may decide to inaugurate in such states."

Hog in West and Cow in the East Offer Much Hope

MONTPELIER, VT., July 21.—"The hog in the west and the cow in the east have each now put their best foot forward; if they do not backslide the country can count on them to help mightily in pulling us back to prosperity." This is the observation of Elbert S. Brigham, chairman of the finance committee of the National Life of Vermont, former commissioner of agriculture for Vermont and former congressman. He indorses heartily the action of the arbitration board in sustaining the wholesale price of six cents a quart for milk as recently fixed by the New England Dairies, Inc. "This will go a long way," he said, "toward saving the eastern farmer."

Mr. Brigham's comment on the improved situation in the west is based on a 1,500 mile tour of the farming territory in Iowa and Nebraska. In June he found the deepest gloom prevailing because meat animals were selling for prices which had not prevailed so low since the 90's. "Farmers were receiving in May as little as two cents a pound for hogs at their local shipping stations; but, since my visit to the west there has been a very gratifying improvement in the price of live stock of all kinds, and hogs in particular. The current Chicago quotation on hogs is 5.1 cents per pound (which includes transportation charges without change since May), so it is safe to say that the net farm price for hogs is now 100 percent higher than it was in May. There has also been an improvement in cattle and sheep. Nothing could have happened to give farmers of the corn belt greater encouragement than this. A continuation of these higher price levels will count notably in

the uplift of prices generally, and if a gradual return of prosperity follows we may say that it began with the humble porker. The present price situation, with respect to meat animals in the west and with respect to milk in the east, will help farmers to their feet, and this improvement should reflect itself all along the line."

Only One License Needed

Foreign life companies, which also transact an accident and health business, may be permitted to conduct both lines by the issuance of one certificate to their agents by the Illinois department and by the payment of one fee by their agents to the Illinois department. This was the opinion of Attorney-General Carlstrom of Illinois to Superintendent Hanson.

The Illinois department has been requiring such companies to procure separate licenses and pay separate fees for their agents for soliciting life insurance and accident and health. This requirement was challenged by the Metropolitan Life and the issue was submitted to the attorney-general.

Agency Building School

Some 30 coast life general agents and managers attended the agency building school conducted at the University of Oregon by the Life Insurance Sales Research Bureau. Instructors of the first two weeks' course were G. Fay Davies, director of the school; L. W. Chapman and S. G. Dickinson.

Huebner to Address Clubs

Plans are being completed to have Dr. S. S. Huebner address a joint meeting of the San Francisco chamber of commerce and the San Francisco commercial club in August when he will be in attendance at the convention of the National Association of Life Underwriters.



Trade Mark Reg. U. S. Pat. Off.

Over Three Thousand SHIELD MEN

of The National Life & Accident carry a varied line of Income Protection Accident and Health Insurance in addition to their life policies. Such a comprehensive kit gives Shield Men an advantage—it enables them to care for the insurance needs of every person and place not only life insurance but also accident and health in this one company.

The National Life and Accident is an important factor in the accident and health business. It has been writing this form of insurance for 30 years and today ranks third on accident and health premium income. Industrial and Ordinary and monthly accident and health insurance is written.

It pays to be a Shield Man.

The NATIONAL LIFE and ACCIDENT INSURANCE CO., Inc.

Nashville, Tennessee

Tune in WSM

Federal Decisions Involving Charge of Misrepresentation

The United States circuit court of appeals of the 1st circuit, Massachusetts, has decided three cases in which the New York Life was involved, each bringing up the issue of misrepresentation in the application. The first was *New York Life vs. Simons et al.*, executors. The New York Life sought to cancel policies issued in July, 1928, and February, 1930, on ground of fraudulent misrepresentation. The district court found that so far as the policies issued in 1928 were concerned representations made by the applicant that no sugar had been found and that he had not consulted a physician within 5 years, either for a disease of the intestines, kidneys or bladder or for any other ailment were false. Although there was evidence that sugar was found and it is regarded by insurance companies as material to the risk, the condition of the deceased disclosed by the evidence in this case did not tend to shorten his expectancy of life or increase the risk, the court held. However, as the court found the applicant had deliberately concealed material facts it declared the policies void.

Issue Over Later Policies

As to the policies issued in February, 1930, the district court found that the applicant may then have been justified in believing that he was cured. Therefore, in concealing these facts there was no intent to deceive. His condition was not one that materially increased the risk. The higher court holds that upon the evidence whether the false answers were made with intent to deceive, is a question of fact to be determined by the judge hearing the case. The higher court holds, however, that the conclusion of the district judge that there was no intent to deceive by false statements in the application in February, 1930, is clearly wrong. The higher court finds the applicant had no more medical assurance in February, 1930, that he was permanently cured than he had in July, 1928. The court says the insurance companies deem the appearance of sugar as material to the risk and make a very careful investigation to ascertain its significance, and also whether the conditions, in their judgment, materially increase the risk and require special rates or rejection of the application. The decree for executors is reversed and the policies for 1930 were declared void.

Decision in Webber Case

In the second case, the *New York Life vs. Webber et al.*, is an appeal from the decree dismissing the bill brought by the New York Life to obtain the cancellation of two policies issued in January 1929. On April 22, 1930, Webber suffered a paralytic stroke, resulting in total and permanent disability, bringing him under the disability clause. It defended the case on the ground that statements in the application were fraudulent. It appeared from undisputed testimony that three years before Dec. 4, 1928, when the application was made, the insured had a heart attack. He was then under treatment for dizziness. On Dec. 4, 1928, a physician was called by the son in response to which he went to a store, where he found Webber sitting down. Webber complained of being faint. He was taken home and his blood pressure was found to be high. The physician diagnosed the complaint as an acute attack of indigestion and in addition nephritis.

The higher court held that the applicant was bound in good faith to disclose these facts. It is clear, it says, that the assured concealed the material facts with the intent to deceive. The decree of the district court is therefore reversed and the policies are declared null and void.

The New York Life had a third case in coming before the United States

circuit court of appeals in Massachusetts, first circuit, involving misrepresentation in application, in *New York Life vs. Kaffanges* in which the company sought to declare void that part of the policy providing for disability benefit. The policy was issued in August 1926 and had an incontestable clause not applying to disability. In his application on August 26, the policyholder stated that he had never consulted a physician or suffered any ailment or disease of the brain or nervous system. It developed after the policy was issued that the assured had been afflicted with epilepsy resulting from an injury to his head by a fall when a child. He was a patient in a hospital in 1912 for epilepsy, and again in 1915. In 1918 he obtained exemption from the draft during war time on this ground.

Two main issues were involved: (1) Were the statements contained in the application false and made to deceive, or, if false, did they materially increase the risk; and (2) Was their falsity

waived by the appellee with knowledge of the assured's condition by the acceptance of the premiums in August 29-30? The higher court held that there was admissible evidence sufficient to warrant finding of fraud. The higher court says the answers in the application were as to material facts, and the facts such as the company was in good faith entitled to know. It appears that the first intimation that the company had that the assured was subject to epileptic fits was through an anonymous letter received Aug. 9, 1929. An interview by an investigator first resulted in a denial but finally an admission of attacks in 1912 and 1915.

The investigator's report runs, "My investigation does not indicate that the insured had an epileptic attack for the last four years, nor that he was sick when he was examined in August 1926. In appearance he seems to be of average good health. He has had no recent known epileptic seizures and from what Dr. Driscoll says, has not had any seizures during the past four or five years." In September 1930, the policyholder was notified that his claim was rejected, not because of fraud in obtaining the policy, but on the ground that he was not totally disabled. Suit was brought to recover under the policy and the investigator was sent out to obtain

more information as to the assured's past record. It was this investigator who learned for the first time, after the receipt of the 1930 premium, that the applicant had admitted having attacks in 1922-1923, and he learned from a hospital record that he had been there. The higher court says the knowledge obtained by the investigator for the company in 1929 would not have warranted the company in then repudiating the disability provisions. Therefore, it cannot be said that the company had sufficient knowledge of the medical history of the policyholder prior to Aug. 18, 1930, to warrant the court in holding that the district court erred in ruling that there was no waiver by the appellee of any fraud in the procuring of the policy. Decree for the plaintiff was affirmed.

Former President Dies

Forest F. Dryden, who was formerly president of the Prudential, died at his home at Stronghold, near Bernardsville, N. J., this week. He had been in failing health for some time. Mr. Dryden entered the service of the Prudential as a clerk in 1882 and became president in 1912, serving for 10 years. He was the son of John F. Dryden, the founder and first president of the Prudential.



ORGANIZED SELLING METHODS

mean a way for the "Man on the Street" to so order his work that he may get the largest return for the effort he is willing to put forth and a way for the General Agent to systematically be a "Guiding Hand"

THE MINNESOTA MUTUAL LIFE INSURANCE CO.

Saint Paul, Minnesota

Double Indemnity Decision Given by Minnesota Court

The Minnesota supreme court in *Konschak vs. Equitable Life of New York* construes the double indemnity clause. An appeal was taken from judgment for the plaintiff. Assured was engaged in road work. He spent the afternoon reading and lying around at home. Late in the evening he disappeared and his next appearance was in a caboose at a station 65 miles away. He was there attended by a doctor who found that he had a fractured skull and other injuries. He was taken to the hospital where he died the next day. The record is silent as to how he received the injuries.

Ruling on "Accidental Means"

It is the contention of the company that there was a failure of proof as to whether or not the injuries received were the result of accidental means. It is declared that the injuries may have been the unexpected result of some intentional act done by the assured. The court holds that it is committed to the more liberal doctrine that where the death is the unusual, unexpected or unforeseen result of an intentional act, it occurs by accidental means, even though there is no proof of mishap, mischance, slip or anything out of the ordinary in the act or event which caused the injury or death. The term "accidental means" says the court must be interpreted according to the usage of the average man. The court holds that although the burden of proof is upon the plaintiff to show that the assured met his death by accidental means, where death occurs by external violence and there is no evidence whatever as to the means of such violence, that burden of proof upon the plaintiff in an accident policy is sufficiently supported by the presumption that the violence was due

to accidental means. The judgment for the plaintiff is affirmed.

Huebner at Davenport

Dr. S. S. Huebner, University of Pennsylvania, was the principal speaker at a sales conference in Davenport, Ia., attended by the entire sales force of the Davenport agency and the Peoria and LaSalle districts of the Massachusetts Mutual Life. Carl LeBuhn, head of the Davenport agency, was in charge. Dr. Huebner also conferred with officials of St. Ambrose and Augustana colleges, Davenport.

National Guardian Conference

Wisconsin agents of the National Guardian Life attended a three-day conference and training school this week at Madison, staged by Franklin Van Sant, manager of the Madison agency.

Speakers included H. R. Doering, associate professor in the university extension division; President G. A. Boisard, Vice-president Richard Boissard, J. L. Mitchell of the Commonwealth Savings & Loan Association, Paul Craneheld, assistant secretary of the company; Archie Hurst, supervisor of the Eau Claire agency, and Mr. Van Sant.

Agency Shows Good Growth

Friday marks the fifth anniversary of W. E. Johnson, Jr., as New Hampshire general agent for Mutual Benefit Life. Under his leadership, the 36 agents throughout the state increased paid production for the first half of this year 37 percent above that of the corresponding period in 1931. June was the best month in the agency's history, production rising 400 percent above that of the same month last year.

A Dartmouth graduate, Mr. Johnson was appointed general agent for the Mutual Benefit after he had achieved outstanding success as agent at Man-

chester for the Phoenix Mutual Life. The general agency headquarters remains at Nashua and Mr. Johnson resides at Manchester. In addition to his duties as general agent, Mr. Johnson continues his personal production.

The Mutual Benefit has been represented in New Hampshire almost since its organization in 1845. In 1846 there were two agents, one at Nashua and one at Exeter, and by 1848 this number had been increased to seven. Steady growth of representation led to the establishment of the general agency in 1902.

Celebrates Third Birthday

The Home State Life of Oklahoma City will celebrate its third birthday July 29 with a barbecue for directors, officers and home office force at the home of President Joe D. Morse on Lake Alumas. The first six months of 1932 reveal a premium income more than \$15,000 in excess of the same period last year. President Morse states that renewals for the first half of 1932 include 81 percent of the business placed on the books the first year of the company's operation. It now has \$15,000,000 in force.

To Study Pension Funds

PITTSBURGH, July 21.—F. J. Owen, assistant actuary of the Berkshire Life, has been chosen by Controller Kerr to make an actuarial study of the city's three pension funds. In its recommendations to the city council the chamber of commerce has requested the study with a view to developing a plan to place the city's pension activities on a scientific actuarial basis for the future.

Trading Stamp Order Appealed

LINCOLN, NEB., July 21.—Validity of the order of Commissioner Herdman of Nebraska that life insurance agencies could not use trading stamps to stim-

ulate business, even if the company were paid the full premium, is being tested in the courts. George Teten, an agent of the Security Savings Corporation, which sought this privilege as a Service Life agency, has appealed to the supreme court from an order cancelling his license because he successfully used trading stamps as an inducement to the purchase of life insurance, the stamps to be redeemed in cash or in trade.

Bailey Los Angeles Manager

J. E. Bailey has been transferred to Los Angeles as branch manager of the Hooper-Holmes Bureau, succeeding Harold Copeland, who has been appointed supervisor for the American Service Bureau at the head office in St. Louis. Mr. Bailey has been with the Hooper-Holmes organization for the past 12 years as inspector, assistant manager and manager in New York and Philadelphia and supervisor in the southeastern territory.

Briant to Poughkeepsie

Vice-President K. A. Luther of the Aetna Life announces the establishment of a new general agency at Poughkeepsie, N. Y., and the appointment of Leslie D. Briant as general agent. He has been connected with the 100 William Street agency in New York City since 1923. Until 1927 he was engaged in personal production, his annual writing averaging in excess of \$500,000. In 1927 he was made agency supervisor, and in 1929 was appointed assistant general agent to Mr. Keffer. The general agency offices will be located at 11 Market street, Poughkeepsie, N. Y.

Life Notes

The *Latin-American Guaranty Life* is a new assessment company being organized at Los Angeles.

The annual agency conference of the *Madden Agency*, Milwaukee, Wisconsin manager for the Kansas City Life, was held at Moon Beach Resort, near Eagle River, Wis., last week.



Mutual Telegram

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JULY 1932

JA 63 COLUMBUS OHIO

G O GETTER PRODUCERSVILLE U S A

MIDLAND MUTUAL OFFERS UNLIMITED OPPORTUNITIES

FOR PERMANENT AND PROFITABLE AGENCY BUSINESS.

MIDLAND PERFORMANCES HAVE ALWAYS EXCEEDED

PROMISES. STRONG FINANCIAL BACKGROUND.

CONSERVATIVE MANAGEMENT. LOW COST CONTRACTS.

IF INTERESTED WRITE

AGENCY DEPARTMENT

MIDLAND MUTUAL LIFE

INSURANCE COMPANY

COLUMBUS OHIO

Kentucky Home Life Nears Completion of Its Program

(CONTINUED FROM PAGE 3)

board of aldermen having adopted a resolution asking the mayor to finish out his full term of office. The resolution contended that in this time of stress it continue to receive the benefit of his executive and administrative ability as long as possible. It was pointed out that under the new city executive department with six department directors, fully trained and able to take much work from the shoulders of the mayor, it should be possible for him to give part time to outside business interests, a procedure that has never subjected former mayors to criticism.

Mr. Harrison, in accepting the post some weeks ago, stated he would resign Aug. 31 and accept the post Sept. 1. Later he stated that it might be some time later before he could leave the city due to utility franchise and other affairs now before the administration. When first advised of the action of the aldermen he thought some one was joking. He then said:

"I can't at this time say anything other than the action of the board is an action which any man would be proud to have taken by his co-workers. One expression of the resolution is emphatically true, that the directors are capable men and in the brief time they have served in their positions they have shown real ability without exception.

"Any further statement must come after I have consulted my associates in the proposed Kentucky Home Life Insurance Company. The primary purpose of the company is also a public service in that it seeks to preserve for this community an old established business and to protect the interests of many thousands of policyholders.

"I hope this statement will not appear ungracious, but it is the best I can make at this time."

COMPANY INCORPORATED

FRANKFORT, KY., July 21.—Articles of incorporation of the Kentucky Home Life, to take over business of the Inter-Southern Life, are now filed. The capital was fixed at \$500,000 to be issued in 50,000 shares to be sold for double the par value of \$10. Incorporators holding five or more shares each were listed as follows: W. H. Harrison, Donald McDonald, Jr., Hugh J. Carpenter, F. J. Herrmann, E. J. Miller, W. S. Campbell, L. S. Leopold, M. L. Wurzel, S. D. Handmaker, F. J. Dougherty, M. E. Cooper, and J. R. Washer. A meeting of incorporators has been called in the offices of Inter-Southern to elect the board of directors. The company proposes to begin business as soon as the charter and securities are approved by the State Auditor Talbott.

Hold Agency Building School

That managers and general agents realize the necessity of following sound principles of agency building if they are to show progress today is indicated by the increase in enrollments in the third agency building school of the Life Insurance Sales Research Bureau which is now in session at Babson Institute, Babson Park, Mass. A similar school will be held at the Edgewater Beach Hotel in Chicago, August 22-Sept. 2. Running concurrently with this school will be a special school for home office men, the second school of this type to be held in the middle west.

National Fraternal Meeting

The annual convention of the National Fraternal Congress to be held at Washington, D. C., Aug. 8-11, will have an interesting program. Among the speakers will be W. P. Coler, actuary of the American Central Life, who was formerly actuary of the Maccabees. H. L. Ekern, Chicago attorney, former Wisconsin insurance commissioner, will

speak on "Modern Trends in Life Insurance." George R. Allen, head of the Fraternal Aid Union of Lawrence, Kan., is president of the congress.

Speak Before Kansas City Club

Dr. J. W. Wear, medical director of the National Fidelity Life, spoke on "Anatomy and Physiology of the Circulatory System" at the July meeting of the Home Office Life Underwriters' Club of Kansas City. K. W. Wood of the American Savings Life discussed "Home Office Practices in Handling Irregular Applications," and C. J. Schultz of the Federal Reserve Life, Kansas City, Kas., conducted a question box.

Trading Stamp Plan in St. Louis

The trading stamp plan of purchasing life insurance has entered St. Louis through the medium of the Red Bird Stamp Store, 2925 North Grand boulevard. In radio and other advertising mediums the concern has advocated this method of paying for insurance policies. It reports that a number of independent grocers, butchers and other small business enterprises have adopted this means of stimulating business. The insurance is being placed with the Commonwealth Life of Springfield, Ill.

Production Slumps 13.9% During First Half Year

A slump of 13.9 percent in new paid business during the first half of 1932 is reported by the Association of Life Insurance Presidents. Volume last month was 22.6 percent below June of last year. The report is based on figures of member companies.

For the first half, total new business was \$5,027,768,000 this year against \$5,838,630,000 last year. New ordinary amounted to \$3,308,217,000 against \$3,950,437,000—a decrease of 16.3 percent. Industrial amounted to \$1,362,331,000 against \$1,391,763,000—a decrease of 2.1 percent. Group amounted to \$357,220,000 against \$496,430,000—a decrease of 28.0 percent.

For June, total new business of all classes written by the 44 companies was \$778,080,000 against \$1,005,145,000 in June, 1931—a decrease of 22.6 percent. New ordinary amounted to \$514,176,000 against \$672,840,000—a decrease of 23.6 percent. Industrial amounted to \$213,298,000 against \$250,658,000—a decrease of 14.9 percent. Group was \$50,606,000 against \$81,647,000—a decrease of 38.0 percent.

South Dakota Chief Examiner Says Twisters Are Harmful

Chief Examiner G. A. Lindbloom of the South Dakota insurance department, has sent policyholders in his state a warning against twisters. He says that a twister is selfish and does not consider the benefits and rights of policyholders. Mr. Lindbloom says there is nothing safer than a life policy in a reputable company on the legal reserve basis. Any person who advises a policyholder to surrender or cash in his policy and take some other form with the concern he represents is knowingly doing the assured an injury, remarked Mr. Lindbloom. He adds, "This twisting is wholly unfair, it is dishonest, it is disreputable and unscrupulous. It is a swindler's game to rob you of a life's savings and protection for your family."

Joins Oklahoma State Life

George D. Peck, publisher of the Stroud "Democrat," Stroud, Okla., has been appointed executive vice-president of the Oklahoma State Life Association, which removed its home office in March from Ardmore to Oklahoma City.

THE RATEBOOK

We have openings for men who in addition to being capable of developing and training underwriters, will continue to take pride in developing themselves and setting an example to others in the field with the ratebook and applications.

We shall be glad to tell men who wish to continue to advance, who are willing to work, about the openings with this Company in the following territory:

California	Ohio
Illinois	Oregon
Iowa	South Dakota
Michigan	Texas
Minnesota	Washington
Wisconsin	

RUPERT F. FRY, President

The
OLD LINE LIFE
Insurance Company of America
MILWAUKEE, WISCONSIN

Hand this to a friend who has never engaged in the work of life underwriting and suggest that he make inquiries about our Educational Course.

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; W. A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

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Member Audit Bureau of Circulations

The Institution of Life Insurance

WE HEAR much these days about "The Institution of Life Insurance," and we tell how it has withstood the financial storm because of its solid basic foundation and sound superstructure. We might ask what is "The Institution of Life Insurance?" We hear of railroad-ing, banking, manufacturing of various kinds, the investment business, farming, hotel management, aviation, mining, and we might go on and mention many other large industries and activities. They each constitute an institution.

At times these days the life insurance man in the field, working hard, becomes disheartened because he does not get the results that he did in years gone by with similar effort. Business perhaps came too easily and people were making money too easily. The life insurance salesman during those days became flabby just as the purchaser of life insurance was flabby. Many of the purchasers were not really earning what they made by their own honest efforts and industry. They were enriching themselves through speculation. Life insurance men are now in the process of training and hardening their selling muscles. They have had to readjust themselves to new conditions and it has not been an easy process, nor could it be done hastily.

Regardless of the discouraging features life insurance men have much cause for congratulation and encouragement. Their institution has stood up far better than any other. There is not a single exception to this statement. There is not one of the great activities of mankind that stands so square to every wind that blows, whose product is worth 100 cents on the dollar and that has not depreciated an iota as is the case with life insurance. This means that when the storm has passed people will be life insurance-minded as they

never were before. They will be looking for security. They may doubt at the present time the permanency of the legal reserve system of life insurance because they are questioning everything, but life insurance without any question will emerge with tremendous glory and prestige.

No life insurance man needs to be apologetic for the standard his business has set, for the reputation that it has gained, for the manner in which it is conducting itself under most diverse obstacles.

Now what is the "Institution of Life Insurance?" It is a great scheme of beneficence and protection, scientifically devised, built on the mortality experience of the human race, taking into account compound interest at a very reasonable rate, safeguarded by the soundest investments, with minimum premiums ordered by law, and with sufficient loading to take care of the expenses. That is the foundation of the "Institution of Life Insurance." It is protected by supervision of state insurance departments that are watching every turn.

There is more to the "Institution of Life Insurance" than the mere foundation. The superstructure might be well termed the home office personnel, the attitude of the management toward life insurance and the great busy army of field workers carrying the message to every nook and corner. The way life insurance is sold, the way it is underwritten, the way it is handled at the home office, the attention it gives to policyholders, the manner in which claims are adjusted and paid, the different services that are performed, the kinds of contracts offered, the safety of these obligations assumed,—all this is part of the institution itself.

While banks of all kinds have suc-

cumbed, while there have been receiverships in outstanding railroads, hotels, great business enterprises, while investments have collapsed under too great a strain, life insurance stands supreme, paramount, impregnable.

The few life insurance companies that have failed can trace their undoing to an unsound or dishonest investment policy. There is not a company whose investment policy is sound and conservative that need have any fear. There have been manipulators and investment jugglers, there has been a certain amount of commercialism in life insurance in some cases but these instances are so

few that they do not make a dent in the business as a whole. This does not mean that companies have not had to make readjustment. There is no institution but what has been affected in some way or other by this sweeping depression.

The point made is that the "Institution of Life Insurance" as a great business deserves the confidence of mankind today as it never did before. A life insurance man can go forth with his armor burnished, with a song in his heart and with the knowledge that his institution has been tried, tested and not found wanting.

PERSONAL SIDE OF BUSINESS

Isaac Miller, 81, for the last 30 years a general agent for the General Accident and the Penn Mutual Life, died at his home near Harrisburg, Pa.

M. E. Hitchcock, district manager of the Mutual Benefit Life in Akron, O., died of heart disease shortly after arriving at his office recently. He had been associated with the Akron office for 18 months. The body was taken to Torch, O., for funeral services and burial.

John C. Irwin, district agent at South Bend, Ind., for the John Hancock Mutual, who has led the Indiana agency in production for two years, is taking a European vacation.

Louis L. Elgin, Tulsa, Okla., district manager of the George E. Lackey general agency for the Massachusetts Mutual Life, died suddenly last Saturday. He was an uncle of Mr. Lackey and had been in charge of the Tulsa district since 1922. He was 65 years old.

Elmer Abbey, life manager of the Aetna Life for southwest Texas and the Rio Grande valley, observed his 15th anniversary with the Aetna recently.

A testimonial luncheon was tendered last week to Thomas E. Hartmann, Newark general agent New England Mutual Life, in celebration of his 50th birthday, by his agency force and many of his friends.

Edward B. Raub, vice-president Indianapolis Life, has been named on the finance committee of the Indianapolis Board of Trade.

S. L. Cork, supervisor of the Royal Bank of Canada at Winnipeg, has been elected a shareholder and director of the Great West Life of that city. He entered the banking business early in life. He became branch manager of the Traders Bank of Canada and when that institution was absorbed by the Royal Bank he was made manager of it, finally becoming inspector of Ontario branches in 1917. In 1919 he was made assistant supervisor at Winnipeg and in 1921 was elected supervisor.

Commissioner Lee Herdman of Nebraska is back at his desk after a month's rest in an Omaha hospital, ordered by his doctor in order to get rid of troubling heart symptoms. Mr. Herdman feels that he is almost fully restored to normal health.

R. E. Healy of Bennington, Vt., is elected a director of the National Life of Vermont. He will fill a vacancy on the board caused by the death of Henry Russell Platt of Chicago. Mr. Healy is a lawyer and now general counsel for the federal trade commission. He was for a time associate justice of the supreme court of Vermont. While his home is in Bennington, he is now occu-

pied much at Washington in connection with the federal trade commission.

A short-lived boom launched by friends of Alex J. Groesbeck, president of the Michigan Life, Detroit, and former governor of the state for three terms, to place him again in the field as a candidate for the Republican gubernatorial nomination, was punctured when Mr. Groesbeck announced formally that he would not enter the race.

A six-month production of \$329,500 of new paid-for life insurance gave J. H. Rowe of Chicago leadership of the entire Bankers Life of Iowa sales organization for that period. Mr. Rowe promises to duplicate his record of 1931, during which year he was field force leader of the company.

Stratford Corbett, who is connected with the office of Second Vice-President G. M. Lovelace of the New York Life as a publicity representative, has been commissioned as a lieutenant in the public relations section of the military intelligence reserve, attached to headquarters, Second Corps Area, Governor's Island, N. Y.

Charles W. Gold, president of the Pilot Life of Greensboro, N. C., has been elected to the executive committee of the newly combined state controlled institution of higher learning which forms the University of North Carolina. There are two other members of this committee. The combined university is composed of the original University of North Carolina at Chapel Hill, the State College of Agriculture & Engineering at Raleigh and the North Carolina College for Women at Greensboro. For many years Mr. Gold has been a trustee of the State College of Agriculture & Engineering of which he is a graduate.

It is ascertained that H. O. Fishback, insurance commissioner of Washington, is not only the oldest commissioner in actual years, being 73 years old, but also in point of service. He has held office for 21 years.

Roy E. Wiggins, cashier of the Oakland, Cal., agency of the Oregon Mutual Life, is one of the two golfers representing his city in the National Public Links Golf Tournament at Louisville.

Joe Thompson of Ardmore will be temporary assistant to Commissioner Read of Oklahoma, pending the return of the present incumbent, Leonard H. Savage, who has been granted a 60 to 90-day furlough. Mr. Thompson was former assistant commissioner, but a short time ago took up practice of law at Ardmore.

B. H. Voss of Batavia, Ill., retired Lutheran minister, is an insurance agent. He is much interested in his cause. He has written a pamphlet, "The Best Insurance," which has attracted attention and which sells for 58 cents a hundred.

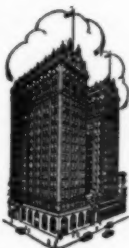
The Road Ahead

The success ahead of a life insurance salesman depends upon five definite things—

1. Himself
2. His field
3. His policy contracts
4. His contract
5. His company

All of these are equally important. If all are good, success can be predetermined.

To the man who possesses the right qualifications, we will supply the other requisites of the right field, the right policies, the right contract, with the right Company.



Home Office

● For information address:
A. R. Perkins, Agency Manager

**JEFFERSON STANDARD
LIFE INSURANCE COMPANY**

JULIAN PRICE, President
Greensboro, North Carolina

The Professional Mourner vs. A Sense of Proportion

PICK up a sensational newspaper, serving a curiosity about the less admirable exhibitions of our common humanity, and the quick and natural conclusion is, "Nobody has any morals."

But look up from that page and regard sanely your own neighborhood of decent, responsible persons, doing the day's work, raising families on a foundation of self-respect and community responsibility; and your point of view changes.

The careless phrase, "Nobody has any morals" dies on the fresh, clean wind of fact, as will the thoughtless chant now coming into vogue, "Nobody has any money."

The professional pessimist, enjoying his brief place in the sun, has no concern with facts. To his distorted vision the world is hurtling merrily to the bow-wows. He sees the man who has no job and forgets the twenty who still rise to "Big Ben's" call in the morning. He moans as he hears the shutters close on a once pretentious mansion and closes his ears to the sound of the hammer and the saw as his neighbor builds a new porch on what he is still proud to call his home.

It does not require any great perspective or sense of humor to appreciate the absurdity of the professional mourner's position, as he chants his dirge, "Nobody has any money."

Somebody has money to buy everything which can be sold. Somebody has money to invest in life insurance at a time when as never before, it looms as a "great rock in a weary land."

Forget the exhibitionist few who make the front page and remember the great quiet army of those who are not "news"; those who have not given up, but are working toward something better for themselves and their children. They are still buying bread and butter and an occasional piece of cake. And they are still buying insurance from the life underwriter who refuses to lose his sense of proportion.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

W. L. MOODY, JR. President
W. L. MOODY, III Vice-President
W. J. SHAW Secretary
SHEARN MOODY Vice-President
J. B. MILLS Asst. Vice-President

**AMERICAN NATIONAL
INSURANCE COMPANY**

HOME OFFICE:
GALVESTON, TEXAS

Insurance in Force \$542,054,101.00

Assets \$47,681,787.50

Surplus 7,278,118.59

ORDINARY—INDUSTRIAL

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We Have Openings for Live Men in

California	Kansas	Minnesota	South Carolina	Virginia
Colorado	Kentucky	Missouri	Tennessee	West Virginia
Georgia	Michigan	North Carolina	Texas	Washington

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Special Low Premium Plans

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

National Convention

Because the National Association is a wholly worthwhile constituent of the institution of life insurance, the Annual Convention should have the unusually strong support of Home Offices, and of General Agents and Managers and their underwriting associates. The program of August's San Francisco meeting is of high quality, comprehensive in topic, and lustrous in speaker ability, and will supply guiding light in meeting the problems of the present period. And the atmosphere of the gathering will reinforce determination to work courageously and confidently on, until the day shall have come again when unusual fortitude will not be needed.

The National Association deserves effort, and even sacrifice, that large attendance may give its aspect of success to the Annual Convention.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

PHILADELPHIA

And Now— Monthly Premiums!

Agents, profiting by the exceptional money-making opportunities of our Golden Rule Contract, now may place Monthly Premium Policies, as well as those on the Annual, Semi-annual or Quarterly basis.

A Monthly Premium Depositing Plan is certain to be popular in times like these.

Columbus Mutual Life
Columbus, Ohio

YOU CHOOSE

Vested Renewals
Financial Stability
Excellent Territory
Equitable Compensation
Liberal, Modern Policies
Constructive Sales Helps
Personal Home Office Help
A Company that is forging ahead
Sympathetic understanding of Agents' problems
Accident and Health as well as all forms of Life

No matter what you want in a life insurance company you will find your desire answered in an agency connection with the

**Union National Life
INSURANCE COMPANY**

Union Bldg.
CHARLESTON, W. VA.

I. A. Morrisett, President, will gladly give you complete information.

LIFE AGENCY CHANGES

Finch Takes Cleveland Post

Son Succeeds Him as Manager of Newark, N. J., Branch Office of Missouri State Life

The Missouri State Life has appointed Ernest D. Finch of Newark, N. J., as manager of its branch office at Cleveland to succeed H. C. Blakeslee, resigned.

Mr. Finch has been manager in Newark since 1922. He recently finished a term as president of the Life Underwriters Association of Newark. He has a record of more than 29 years' experience both in the home office and personal production. Prior to joining the Missouri State Life in 1922 Mr. Finch was with the Mutual Life of New York.

He will be succeeded at Newark by his son, Ernest D. Finch, Jr., who has served as assistant manager there since early in 1926. The son has been with the Missouri State Life since early in 1923, joining the company after finishing college.

W. DeL. Love

William DeLoss Love, who resigned recently as general agent of the Connecticut Mutual Life at Richmond, has joined the Stratford L. Morton agency of that company at St. Louis as a supervisor. Mr. Love served as president of the Richmond Association of Life Underwriters the past year.

J. S. Coleman, C. M. Oliver

As the first step in an expansion program, the Standard Life of Mississippi has opened an office in the Farnsworth building, Memphis, Tenn., in charge of J. S. Coleman and C. M. Oliver. The company maintains other Tennessee offices at Nashville, Knoxville, Chattanooga and Jackson.

L. C. Williams

L. C. Williams, formerly manager of the Mutual Benefit Health & Accident at Greenville, S. C., has been appointed North Carolina manager of the Monarch Life at Charlotte. His offices are in the First National Bank building.

George C. Porter

George C. Porter has been appointed manager for the Fidelity Mutual Life in Albany, N. Y. His offices are at the National Savings Bank building. He attended Cornell. For some years following graduation he ran a large dairy farm and then became organizer of cooperative associations with the New York state department of farms and markets for a period of four years. His life insurance career began in 1928 when he became associated with the Phoenix Mutual at Albany. He was an outstanding producer there until 1931, when he became agency manager for the Equitable Life of Iowa, which position he has just resigned to accept the new post with the Fidelity.

R. H. MacKinnon

R. H. MacKinnon has been appointed general agent at Lansing, Mich., for the Continental Life of St. Louis. Mr. MacKinnon was formerly manager of the accident and health department of the Michigan Life of Detroit and for some time assistant manager of the accident and health department of the Zurich at its United States head office in Chicago, leaving that position a few months ago to go with the North American Life & Casualty of Minneapolis at its home office.

The United Mutual Life has opened a special Indianapolis agency at 715 Circle tower to handle the entire county. R. S. Crowl will be general agent.

Pan-American Appointments

Five Managers in the Field in Southern Territory Are Named by the Company

The appointment of five new field managers for the Pan-American Life has been announced by Ted M. Simmons, manager United States agencies.

Three of the appointments represented promotions from the ranks of individual producers. H. J. Durand, who has been appointed general agent at Lafayette, La., was formerly manager of the life department of a general agency representing the Pan-American in that city. E. T. Kirkland, appointed manager of the Macon, Ga., district, was formerly a member of the Montgomery, Ala., agency, while Mrs. Pearl Cadenhead, who has been named district manager in Hattiesburg, Miss., was formerly a member of the Jackson agency. C. H. McEuen has been made district manager in Jackson, Miss., succeeding E. W. Dees, who died several months ago. W. C. Deaton of Greenville, S. C., has been appointed manager in that city.

Frank C. Hand

Frank C. Hand, special agent Powell agency of the Equitable Life of New York at Louisville, has been made manager of the Reliance Life's Louisville office.

Life Agency Notes

Claude A. Carr has been appointed manager of the Canada Life's northern Ohio branch. He was formerly assistant manager under his father, the late Frank B. Carr.

Harry Roseman, manager of the Omaha south office for the Metropolitan Life, has been transferred to Duluth as district manager. He is succeeded at Omaha by W. A. Smith of Minneapolis, who has been home office supervisor in the central west.

The Security Mutual Life of Lincoln, Neb., has entered Arkansas with Shepherd & O'Connell, in the new Donaghey building, Little Rock, as general agents. W. W. Shepherd and D. G. O'Connell constitute the firm. Mr. Shepherd is a lawyer and Mr. O'Connell has been in the sales field.

Recent general agency appointments of the Pilot Life of Greensboro, N. C., include: F. A. Cribbs at Conway, S. C.; J. T. Cullen, Roanoke, Va.; Claude M. Hunter, Chattahoochee, W. Va.; John W. MacDowell, Gaffney, S. C.; C. G. Padgett, Walterboro, S. C.; R. Goodwyn Rhett, Jr., Charleston, S. C.

Five Applications From One Family for \$32,000

S. E. Ellis, general agent Great Republic Life at Los Angeles, and one of the company's leading producers, recently had the unique experience of writing five applications in one family for a total of \$32,000, with cash settlement of the first year premium on annual basis. None of the applicants had been sold life insurance heretofore and the number mentioned includes the grandfather, age 70 years, who had never been approached prior to Mr. Ellis' call by a life insurance salesman upon the subject of purchasing a policy. This incident shows that the field of opportunity in this business includes many spots that have not yet been cultivated.

NEWS OF THE COMPANIES

Northern States Gains Point

Objection Sustained That Court Has No Jurisdiction in Receivership Suit During Vacation Period

In the action for a receiver for the Northern States Life brought by the state of Indiana in Hammond, Ind., objection was raised that the court has no jurisdiction in a suit for receivership during the vacation period of the court and this objection was sustained. This would put off action under the present proceeding to September. Last week Commissioner Kidd of Indiana went to Hammond and conferred with the officers of the company to effect, if possible, an arrangement whereby responsibility for control of the company might be taken over by the insurance department. The officers of the company expressed possible willingness for the department to take control by appointment from the board of directors, but Commissioner Kidd said his office would assume authority only under order of court and divide responsibility with nobody but the court.

Commenting on the department's attitude in the matter, Commissioner Kidd said: "The purpose of the insurance department is to put an economical management in control of the company and to conserve its assets in the interests of its policyholders, all subject to the direction of the court. The primary interest is that of the policyholders and that of the stockholders is only secondary thereto."

According to statements in Hammond newspapers, it appeared that it was feared the company would be lost to Hammond in event the insurance department took a hand in its management. As to this Commissioner Kidd said that it would be the purpose of the department to keep the company where it is, in the building where it is now located and to nurse it back to a healthy condition, not to reinsure its business in another company.

A report made to an Indiana department examiner showed that the directors of the company owned but 33 shares of its stock, of which the par value is only \$8 per share—a small rudder to guide the destinies of a corporation having \$8,828,928 in assets according to its last annual statement.

RECEIVER FOR HULT & CO.

Another M. J. Dorsey enterprise, Edwin Hult & Co., is now in receivership. Federal Judge Lindley at Chicago named Hyman R. Glick of Chicago receiver on petition of the law firm of Rosenberg, Corlett & Toomin in behalf of James H. Benjamin, a preferred stockholder. Mismanagement and juggling of assets were alleged.

One of the principal activities of Hult & Co., which is a holding and investment concern, was the promotion of a harbor project at Waukegan, Ill. Much of this property was sold to the Northern States Life of Hammond, a Dorsey company, for which Superintendent Kidd of Indiana is asking a receiver.

The other Dorsey companies in receivership are the Security Life of Chicago, Inter-Southern Life of Louisville, and the Keystone Holding Company.

Berkshire Life Campaign

The Berkshire Life is conducting a campaign for increased applications and volume during July and August through a contest known as the "Twenty Grand." In order for an agent to qualify, he must pay for at least \$20,000 of business. The first 25 leading agents writing the most applications and also the first 25 agents writing the largest volume during this period will secure a beautiful cowhide brief case. The contest so far has proven a great business stimulator.

Annuity Increase Is Shown

Vice-President Thomas of the National Life of Vermont Makes Encouraging Report

Compensating considerably for the loss of premium income for insurance is the fact that considerations for annuities have shown a continued increase with the National Life of Vermont, according to the report of Dr. J. M. Thomas, vice-president, to the directors.

"When we consider the situation which has faced the salesman of insurance, it is believed that the fact which should be placed in the forefront," said Dr. Thomas, "is not that we have done less business than in former years, but that the company has a sales organization which under unprecedented conditions has placed new business and annuity contracts for which over \$1,500,000 has been paid into our treasury."

First premiums, on insurance contracts, including dividend additions and reinsurance, were reported for the six months' period as follows: 1932, \$869,038; 1931, \$901,834, which is a loss of \$32,795 or 3.7 percent.

On the other hand, the increase in the sale of annuities reported for the first three months has continued for the six months' period. The total considerations for the first six months were \$671,780, or a gain of approximately 45 percent over the total of \$459,377 during the corresponding period of 1931.

"It is believed," Dr. Thomas concluded, "that the good-will of policyholders toward the company was never greater than at present. The prompt granting of loans, in many cases when no other credit was available, our liberal policy of reinstatement, the availability of low-cost temporary protection when more expensive permanent forms had to be surrendered, the continuance of liberal dividends, the yearly increase of value of an insurance contract when all other forms of security were depreciating, have been more forceful than any amount of argument as to the essential place of life insurance in every investment structure."

Permanent Injunction Sought

Hearing will be given July 27 in the district court at Oklahoma City on the petition of George A. Henshaw, Jr., for a permanent injunction to prevent the Sun Life of Oklahoma City from disposing of \$29,250 worth of its stock for property said to be valued at \$9,000. Defendants in the action are Hubert L. Bolen, president; T. J. McComb, organizer, and George A. Henshaw, Sr., secretary-treasurer and father of the petitioner. The petition said the transaction had been made with S. A. Apple.

Buffalo Life's Showing

The latest issue of the Buffalo Mutual Life's "Bulletin" indicates the remarkable record this company has been making since it became an old line life company. F. F. Ehlen, director of agencies, in congratulating the field force on its splendid showing says in part:

"Every month has shown a steady increase in new business and it shows what can be done regardless of business conditions. You boys have clearly demonstrated that depression or no depression, there is good business to be gotten and you have gotten it."

To Audit Oklahoma Southern

OKLAHOMA CITY, July 21.—Minority stockholders won the first tilt in the receivership action, when the district court ordered an audit of the Oklahoma Southern Life's books and refused to permit Commissioner Read to intervene. Mr. Read claimed that he had exclusive

MEETING COMPETITION « « «

COMPETITION is keener now. Due to economic conditions prospects are fewer and buyers of new life insurance are more discriminating. They are interested in RECORD OF MANAGEMENT and FINANCIAL STABILITY.

The Bankers Life of Nebraska has

BOTH PARTICIPATING and NON-PARTICIPATING insurance with competitive rates.

a record of 45 years of conservative management.

a financial structure of distinctive merit.

Some General Agency openings are available in Iowa, Illinois, Ohio, Pennsylvania, and Missouri. Write A. B. Olson, Manager of Agencies.

BANKERS LIFE INSURANCE COMPANY OF NEBRASKA

Home Office

Lincoln, Nebraska

Girard Life Insurance Company

Philadelphia, Pa.

Has excellent General Agency openings in Ohio, Pennsylvania and Michigan

Generous first year and renewal commissions. Low net cost policies.

We seek General Agents of high character and ability, who are willing to devote efforts to building a real General Agency.

When writing give us a fair word picture of yourself and your insurance experience.

Your correspondence will be treated confidentially until such time as we have your permission to make inquiry.

ATTRACTIVE PICTURES AND SALES CAPTIONS that help you sell more insurance

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SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies. Many other forms of Policies equally attractive.

Operating in Illinois, Michigan, Indiana and Missouri

INTERSTATE RESERVE LIFE INSURANCE COMPANY

Mutual Legal Reserve Life Insurance

Ten East Pearson Street : : : Chicago



DeWitt Operated Hotels
feature

Unusually Comfortable Rooms,
the Finest of Foods
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Rates Starting at \$2.50 Single

In CLEVELAND It's THE HOLLENDEN

ELMER HOGREN, Manager

1050 Rooms, all with Bath
4-Station Radio Speaker in Every Room

In COLUMBUS It's THE NEIL HOUSE

TOM A. SABREY, Manager

650 Rooms, all with Bath

In AKRON It's THE MAYFLOWER

C. J. FITZPATRICK, Manager

450 Rooms, all with Bath
4-Station Radio Speaker in Every Room

power to bring receivership actions, and refuses to do so because he finds the company "is one of the most solvent firms in the state." Internal friction among stockholders and former officials is said to have caused two petitions for receivers to have been filed. The first was dismissed for want of sufficient evidence, and the latter is pending. An effort to have the latter dismissed is being made by Fred Hansen, assistant attorney-general. A hearing will be held July 28.

Starts July-August Campaign

Every agent of the Atlantic Life has pledged himself to produce more business in July and August than in the corresponding two months last year. The July-August campaign was launched with agency luncheon meetings throughout the company's territory. President A. O. Swink addressed meetings in Richmond and Petersburg. W. H. Harrison, vice-president and superintendent of agencies, and H. F. Sharp, president of Atlantic Agency, Inc., of Richmond, made inspirational talks at Washington, D. C., and points in Virginia. Dr. Frank P. Richter, medical director, made a special trip to Raleigh to deliver an address while R. G. Richards, agency secretary, spoke at Columbia, S. C. General agents were speakers at most of the other meetings throughout the territory.

Conservative Life's Gains

For the first six months the Conservative Life of South Bend, Ind., reports an increase in placed business of 41 percent over 1931 and 40.4 over 1930. The company has shown a decrease in the last two years but the first six months shows a substantial increase in insurance in force.

Washington National Appointees

J. F. Houlihan has been appointed agency supervisor in the ordinary life department of the Washington National of Chicago. He started his insurance career in 1910 as a local agent in South Dakota. Later he organized a large in-

surance accounting and auditing firm in the state. For five years he served as special examiner for the South Dakota insurance department. He resigned to go with the Washington National.

W. R. Nordgren has been made manager of the ordinary life department. For two years he was with the Mutual Trust Life as an agent and then appointed assistant manager in the home office agency. He has had six years of home office experience.

Temporary Receiver Named

On petition of Commissioner Boney of North Carolina, the Southern Life & Accident of Greensboro has been placed in the hands of George C. Hampton of Greensboro as temporary receiver.

The company was licensed Sept. 8, 1931, but on March 6, 1932, sold and reinsured its outstanding policies to the Victory Life of Greensboro and stopped writing new insurance and started liquidation. Mr. Boney alleges that since then the Southern Life & Accident has failed to meet its obligations, some of which are in the form of judgments.

Ask Receiver for Negro Company

Application has been made by the Indiana department for a receiver for the Gibraltar Health & Accident, a Negro assessment life company of Indianapolis, doing a small business confined to Indiana. About a year ago the accident and health business of the company was reinsured in the Mammoth Life & Accident of Louisville.

Lien Arrangement Explained

In taking over the Iowa lodge of the Ancient Order of United Workmen, the grand lodge of that order at Fargo announces that liens are not being placed on Iowa business, which was written after Jan. 1, 1929. Deficiency liens have been put on all Iowa policies written before that date with the provision that at the end of five years a revaluation of assets will be made and a readjustment of the amount of the lien will be made.

LIFE COMPANY CONVENTIONS

Production Honors Announced

Prizes to Be Presented at Convention
of Northwestern Mutual Agents
July 25-27

MILWAUKEE, July 21.—Dr. Charles E. Albright, Milwaukee, will again be given the Class AA award for having written the largest amount of business during the agents' year of the Northwestern Mutual Life, when the Association of Agents of the company meets here July 25-27. Dr. Albright, who has completed 26 years of service as a producer with the Northwestern Mutual, had \$2,038,500 paid-for production for 1931-32.

The XX prize award to the agent reporting new insurance on the largest number of lives will go to Emmett Cowell, of Red Bud, Ill., who wrote new business on 244 lives. This also carries with it the presidency of the Marathon Club, which Mr. Cowell receives for the third consecutive year.

Leo Goldberg, Kansas City, Mo., carries off the top place in Class A, which comprises agents whose rating equals or exceeds \$750,000. E. M. Lillis, Erie, Pa., will win Class B honors for agents whose class rating equals or exceeds \$500,000. Mr. Lillis shows a 52.01 percent increase in production. H. L. Barnett, New York City, wins highest honor among Class C agents, whose production is more than \$300,000 annually. Mr. Barnett made an 87.79 percent increase for the year.

First honors among Class D agents, whose annual production averages more than \$200,000, will go to W. A. Kantle-

ner, Louisville, whose increase over last year's business was 121.08 percent. H. D. Goldman, Richmond, Va., wins first honors among Class E agents, whose production is \$150,000 or more. His increase for the year is 147.90 percent.

Franklin Life Agents Meet

Veterans Honored at Annual Convention
of Agency Clubs at Home Office
in Springfield, Ill.

SPRINGFIELD, ILL., July 21.—The annual convention of agency clubs of the Franklin Life was held at the home office here with 200 agents attending. At the opening session prizes for renewal of business were awarded Carl Kloppenburg, Springfield; Mrs. Josie Gately, Fort Worth, Tex.; A. McC. Wilson of Georgia, O. C. Armstrong of Texas, Jess McGee of Texas, and F. J. Budinger, Chicago.

At the final dinner program special honor was paid to 32 agents who have been with the company 10 years or more. Joseph W. Jones, vice-president in charge of agencies, presented birthday cakes, with lighted candles, to the five field men, exclusive of officers of the company, whose period of service extended 20 years or more, including W. F. Workman, 34 years; C. A. Kloppenburg, 22; A. B. Cochran and E. H. Redlich, 20 years each, all of Springfield, and W. J. Olive, Holland, Mich., 29 years.

Mr. Jones, who was in direct charge of the sessions, explained the schools for agents being conducted throughout the company's territory and the increase

of supervisory staffs, in line with the company's belief "in the long pull and constructive program for the coming year." President H. M. Merriam welcomed the group at the opening session. A. O. Merriam, vice-president in charge of investments; C. E. Randall, superintendent of agents, and Henry Abels, vice-president, were other speakers. Mr. Abels distributed the renewal prizes.

Rail Splitter Club Meeting

The 1932 Rail Splitter Club convention of the Abraham Lincoln Life will be held at the home office at Springfield, Ill., Aug. 4-6. The convention topic is, "Organized selling brings results." Company officials who will appear on the program include President H. B. Hill, A. L. Hereford, chairman of the board; Vice-presidents F. M. Feffer and James Fairlie, O. F. Davis and W. A. Fairlie. C. J. Doyle of Springfield, associate general counsel of the National Board of Fire Underwriters, will be the banquet speaker.

Guardian Life Convention

The annual convention of the Leaders Club of the Guardian Life is being held at Quebec this week. "Prospecting" has

been selected as the theme and the various aspects of that many-sided subject will be discussed.

Immediately preceding the convention proper, Guardian leaders who qualified for membership in the Guardian's new higher honor club, the president's club, set sail on a two-day cruise up the Saguenay River.

They were accompanied on the cruise by President Carl Heye, Vice-President James A. McLain, Superintendent of Agencies Frank Weidenborner, Medical Director M. B. Bender, and Underwriting Secretary Edward Ruge.

Others of the home office delegation at the meeting were Assistant Vice-President J. E. Lockwood, Actuary J. C. Barnsley, Assistant Superintendents of Agencies N. F. Davis, Jr., and R. W. Griswold, Publicity Manager J. C. Slatery and F. A. Bachur, secretary of the leaders club.

Modern Life Conference

ST. PAUL, MINN., July 21.—Executives and agents of the Modern Life held a two-day conference and outing at Leech lake last week. As part of the outing the party participated in the 100th anniversary of the discovery of the source of the Mississippi river.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

EFFECT OF REVENUE ACT

Several hundred life men and attorneys attended a meeting under the auspices of the trust department of the Chase National Bank at which Dr. C. W. Gerstenberg, a member of the New York bar and chairman of the board of Prentice-Hall, spoke on the federal revenue act of 1932 and its effect on the capital and income of estates and trusts.

Dr. Gerstenberg cited a hypothetical case in which a man with a heavy net loss in income for 1932 would nevertheless be compelled to pay a large income tax. The present rates of the federal estate tax are so high that "we search previous acts in vain to find anything like them" except for the act of 1924, which was repealed retroactively in 1926, and hence was never really effective.

Dr. Gerstenberg attacked the gift tax as obstructing the social distribution of wealth.

"Instead of putting a premium on giving away, on individual action looking to the wider distribution of wealth, our political agencies have placed a penalty on what is conducive to our economic and social welfare," he said. "When political forces run counter to economic and social interests the battle can't last long. Political expediencies must give way to economic and social progress."

INTERESTED IN INSURANCE

Julius H. Barnes, who is elected chairman of the board of the Missouri State Life of St. Louis, had associated with him in purchasing shares of the company virtually the same interests that recently became identified with the

Beneficiaries Tell How Life Payments Were Used

Another big feature of The National Underwriter's Life Payments Localized Number, which will be off the press July 29, is the testimonials of life insurance beneficiaries telling what they did with their insurance money. These stories will make the Life Payments Localized Number an even better soliciting document and all managers should furnish their agents with extra copies of this issue showing life insurance in action.

Lloyds Insurance Co. of New York City, all of whom are firm believers in the future of the institution of insurance, life, fire and casualty, in this country, and are manifesting their confidence by investing in the securities of such corporations. While without technical knowledge of life insurance, Mr. Barnes intends keeping in close touch with the affairs of the Missouri State Life, dividing his time between New York City and St. Louis. The people with whom he is affiliated have already bought control of several insurance companies of different types and are considering the purchase of others.

McMILLEN MEN'S PROGRAM

About 25 members of the C. L. McMillen agency of the Northwestern Mutual Life here will leave July 23 for the company convention in Milwaukee, which opens July 26. Agency executives making the trip will include Mr. McMillen, G. L. Hill, production manager, and R. J. Pickard, office manager.

When the convention is over the McMillen party will go to Long Lake, Wis., where Mr. McMillen has arranged that an entire island will be placed at their disposal. The lake was one of Mr. McMillen's favorite vacation haunts when he was general agent for the company in Milwaukee and abounds in pike, pickerel and muskallonge.

MAY WANT SOMETHING ELSE

The prospect who thinks he wants an annuity can very often be shown that what he really wants is one form or another of life insurance, or a combination of life insurance and annuity, agents here are finding. More often than not the man who wants to buy himself an annuity is merely expressing a favorable but often vague approval of the annuity idea and the atmosphere of soundness that goes with it. Careful analysis of his financial set-up will frequently reveal that he can get the investment program he is seeking plus the protection of life insurance for a sum not very much greater than he had been figuring on for the annuity program alone.

WAS CONNECTICUT MANAGER

W. K. Blewett, whose appointment as branch manager for the Acacia Mutual Life in Jersey City, N. J., was announced recently, was not previously state manager for the Maccabees for New Jersey, as stated, but was state manager for Connecticut.



"THE FRIENDLY COMPANY"

STABILITY

Good management during this period of readjustment means the analyzation of every phase of one's business in order that each part may be so developed and strengthened that the fullest measure of protection may be given to those served.

This type of management has always been the keystone of this company. Because of this the Peoples Life of Indiana is today facing the future with confidence and assurance founded on strength of unquestioned character and stability.

You will find it pays to be friendly with the

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

No. 18

of

ATLANTIC ADVANTAGES

Atlantic's Change of Age System each year proves of greater value to our field men in writing business on old policyholders.

ATLANTIC LIFE
INSURANCE COMPANY

Richmond, Virginia

Angus O. Swink
President

Wm. H. Harrison
Vice Pres. & Supt. of Agencies

Honestly, It's the Best Policy

WASHINGTON BICENTENNIAL 1732-1932

THE FORMULA OF SUCCESS

LIFE INSURANCE can be explained in plain, everyday language. The facts can be simply stated. People need to be told about life insurance by one who knows life insurance and its adaptability. Salesmen of integrity, ability and courage who will work systematically and plainly state the facts of life insurance service will be Masters of their craft and successful.

THE MUTUAL LIFE OF NEW YORK, with its long history of increasing success, offers opportunity. It writes Annuities and all Standard forms of life insurance. Double Indemnity Benefits. It has many practices to broaden and expedite service for Field Representatives and for Policyholders.

Those contemplating engaging in life insurance field work as a career of broad service and personal achievement are invited to apply to

The Mutual Life Insurance Company of New York

34 Nassau Street

New York, N. Y.

DAVID F. HOUSTON
President

GEORGE K. SARGENT
Vice-President and
Manager of Agencies

"Prepared Sales Talks"

A New Booklet

Sixteen Concise, Convincing Talks

By A. M. ANDERSON—Author of "Selling Points Classified"

A collection of effective sales talks, each designed to meet and override one of the common excuses or "barriers" which the prospect puts up. "Prepared Sales Talks" anticipates these "objections" and provides the agent with the right thing to say at the right time.

"Prepared Sales Talks" is an inexpensive, practical, vest pocket size booklet, but it will do the work of many larger and more pretentious books. The new agent can easily understand it. And any agent who is well prepared with something to say in every situation is more confident and should be more successful.

ANSWERS ALL USUAL "OBJECTIONS"

There are only 15 or 16 of these common "objections" yet many agents, especially the newer ones, have difficulty in keeping at their tongues end, the messages that in a few sentences will answer these stock "objections" and open the way for a real interview.

ESPECIALLY GOOD FOR NEW AGENTS

Some of the material is not new, but 16 definite talks answering all the usual "objections," in a small handy booklet, is valuable to every life insurance man.

"Prepared Sales Talks" is, of course, especially valuable for the new agent. Companies and Managers can well afford to distribute this booklet generously.

THE SUBJECTS TREATED ARE AS FOLLOWS:

- Opening Sales Talk.
- Family Income.
- Life Insurance as an Investment.
- Business and Partnership Insurance.
- The Child's Endowment.
- A Visit to a County Poor Farm.
- I Don't Need Any More Life Insurance.
- I Will See What My Wife Says.
- I Am Unable to Pay for More Life Insurance.
- I Have Too Many Other Obligations to Pay First.
- I Am Able to Save My Own Money.
- I Have No Dependents.
- I May Take Life Insurance Later.
- I Know How to Invest My Own Money.
- I Haven't Time to Talk Life Insurance.
- Pin Money. (\$1,000.00 policies as "openers").

Single Copy Price 50c
Less in Quantities

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The Insurance Book House — The National Underwriter Co.
420 E. 4th St. Cincinnati, Ohio

AS SEEN FROM CHICAGO

WILL OPPOSE AMENDMENT

Report has it that some of the local life underwriters' associations in Illinois are starting a movement to amend the anti-rebate law in the state and also to present an anti-twisting bill to go before the next legislature. The present anti-rebate law does not join the agent and company with the same responsibility that the former law did. Under the old law, if an agent were convicted of a rebate the company also was convicted, although it may not have had the slightest knowledge of what the agent did. This was regarded as too sweeping and opened the way for designing agents to involve companies in fines. Therefore the act was amended, separating the agent from the company. In other words, if a company were held liable it had to be proved that it had knowledge of what the agent was doing. There seems to be now a movement to return to the old statute. The companies undoubtedly will oppose a measure of this kind. They are in favor of an anti-twisting bill if one can be devised that will overcome the evil in the field.

FLEISCHER AGENCY MOVES

Fred Fleischer, general agent life, accident and health department, Abraham Lincoln Life in Chicago, recently has moved to commodious quarters in the McKinlock building, 209 West Jackson boulevard. He has operated a general agency for the company 11 years and has an organization of 15 full-time producers. The agency specializes in developing the company's new full coverage combination life and accident and health policy which was issued about six months ago, and as a result has shown a 30 percent increase in paid for business the first six months of this year over the same period of last year.

EVENTS HAPPEN QUICKLY

A number of life agents say that events happen so quickly that they are sometimes eliminated from an application they wrote before they return to the applicant. For instance, an agent will write a man for a small policy. By the time he delivers it the man may have lost his job, had his pay reduced or be on such thin ice that he is afraid he will be sacrificed at any moment. Therefore, he declines to accept the policy. Companies report an unusually large number of not taken policies largely due to conditions like these.

SPAULDING AGENCY OUTING

The R. E. Spaulding agency of the Mutual Life of New York in Chicago held its annual July outing at the Biltmore country club. Sixty-seven agents were in attendance. The entertainment committee arranged for various sports and recreations, first prizes being won by O. C. Roessler in the golf tournament; Mrs. J. MacDonald, bridge; Mrs. Pearl A. Holstlaw, croquet, and L. M. Cody, barnyard golf.

USE OF AIRPLANES

Agents are still meeting with considerable difficulty in placing insurance on the lives of men who use airplanes considerably in traveling. It can be said, however, that there has been some liberalization recently. Many companies now fix a maximum number of flights a policyholder can take without additional charge. Some companies attach a rider to the policy, limiting the coverage in case of death by airplane accident but Illinois, for instance, will not allow such a rider on a policy. As an average most companies will now permit a man to take 20 flights during the year without extra charge, such flying, however, to be over a well established route in a

regular passenger plane. Most companies shy at pilots and men who own planes and fly for recreation purpose. Illinois agents are handicapped because of the fact that they cannot use the rider although it is known that some will have a policy written in Wisconsin and Indiana near the state line in the same company where the rider is permitted. The handling of applicants that are wont to use the airplane beyond the normal limit is still difficult. Companies are not yet ready to grant full travel privilege.

LITTLE FINANCING IS DONE

Chicago general agents evidently are not financing new men at least to any extent. They are helping their old men now and then who are making good and who may be temporarily embarrassed. If an agent has a good record and finds the sledding hard, his manager is likely to assist him. The manager, however, sees to it that the renewals will take care of the indebtedness. So far as taking chances on new men, that is rarely done. A man entering the business must be able to carry himself along until he is making his way or he gets no help from the office. Any general agent that makes advances these days has a corps of agents waiting at his door, merely to get the advance.

MUCH TIME IN SERVICING

Where general agents rely to some extent on their own personal business to keep up the volume and help pay overhead, a striking difference is now seen because so many of them are giving practically all their time to servicing policyholders, listening to their troubles and making out new programs for them. This keeps them from making contacts for new business. As a rule, general agents are dealing with men of bigger incomes and these are the ones that have been hit hard financially. Some general agents in their financial operations bank heavily on their own production to see them through. More and more time is being required by old policyholders, who have to have their insurance readjusted.

BUSINESS INSURANCE LAPSE

A number of agents have been surprised at the lapse ratio in partnership and corporation business due to reorganization. For instance, business insurance would be taken on partners or key men. With financial strain on the business, a reorganization would be later effected. It is frequently found that these men on whom the insurance was taken are no longer big factors and hence the need for carrying the insurance has ceased. The business insurance lapse ratio for Chicago territory has been even heavier than the personal lapse ratio.

STAYING ON THE JOB

Inasmuch as people are taking shorter vacations or not taking them at all there are more men and women on the job than formerly. Therefore there is not the great exodus from the cities that there has been in the past. For that reason life insurance men are finding summer soliciting profitable.

TWISTING AND READJUSTING

Many agents are making the point that companies will have to recognize the difference between "twisting" and "readjustment" of policies. They agree that where an agent deliberately goes out and attempts to twist a man away from his original company to the company that he represents, when the twisting process is really detrimental to the policyholder, his practice should be condemned at any time. However, they

contend that companies must recognize the fact that in this period the economic and financial condition of people has changed materially. They are put to it often to meet demands. In the struggle to emerge they have to consider all possible contributing forces. Life insurance is one of them and as it so happens a very important one. Many are not able to carry the insurance they have in the past. Others have loans

to the hilt and feel they cannot repay the loans. Others desire to surrender part of their insurance and keep the rest. Some can get along with loans. Altogether experts are needed in advising policyholders these days what to do. Chicago agents declare that it is idle to take the position that there is no need for readjustment because, in their opinion, there is need on many occasions.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Maccabees Issues New Forms

Automatic Five and Ten Designed for Young Man, Expanding Business Man, Home Owner

The Maccabees has gotten out two new policies designed to appeal to the young man with family responsibilities, who has prospects of greater income but at present needs a maximum of protection. The policies are called the "automatic 5" and "automatic 10." They provide low cost term protection for five or ten years and automatic conversion to a permanent plan certificate at the end of the term period without medical examination.

The Maccabees points out that the young man with family responsibilities having a small income very often needs more insurance than he can carry on a permanent basis. Five or ten years hence his income probably will be such that he can afford a greater outlay for insurance, but his greatest need for protection is now.

The business man who is expanding his activities usually needs more insurance than he feels able to carry on the level premium basis, according to the Maccabees. By the end of five or ten years the business man will be able to pay higher premiums, but he should begin his insurance program now. He insures his insurability and will have no fear that later he cannot pass a favorable medical test.

Accident Indemnities

Likewise, the home purchaser should have insurance on his life equal to the value of the new home. By the end of five or ten years the home owner will have the mortgage paid off and will be in a position to expend more money for permanent life insurance but in the meantime the protection can be secured.

The Maccabees offers one-fifth of the face amount of the certificate for loss or one hand, one foot or the sight of

Policies in Nebraska Must All Be Correctly Labeled

LINCOLN, NEB., July 21.—As the result of a protest of a committee of the Lincoln Life Underwriters Association, the Nebraska department has notified all companies licensed in the state that policies must be clearly and correctly labeled in accordance with the law. The protest of the committee was against the use of a 20-payment life label on a new policy issued by one of the newly-organized Lincoln companies, which they said professed to be a special policy issued to preferred risks and promising what they said constituted an endowment feature. They characterized it as a one-year term and 19-years-pay policy, with forfeitures of accrued dividends set up under a deferred payment plan. Chairman Dobbs of the committee said that the policy designation was unfair competition in that the terms could not be matched by regular 20-pay policies.

one eye by accident, which does not reduce the face amount of the certificate.

Rates on the automatic five at representative ages are shown below, giving in the third column annual dividends second through fifth year and in the fourth column net cost after first year:

Age	Prem.	Refunds	Net Cost	Age	Prem.	Refunds	Net Cost
16	\$10.40	\$3.31	\$7.09	40	13.85	3.42	10.43
20	10.40	3.31	7.09	45	16.76	3.50	13.25
25	10.95	3.33	7.62	50	21.35	3.64	17.71
30	11.55	3.35	8.20	55	29.40	3.88	25.52
35	12.10	3.36	8.74				

Following are rates at representative ages for the automatic 5:

Age	Prem.	Refunds	Net Cost	Age	Prem.	Refunds	Net Cost
16	\$10.40	\$3.31	\$7.09	35	12.70	3.38	9.32
20	10.40	3.31	7.09	40	14.40	3.43	10.97
25	10.95	3.33	7.62	45	17.30	3.52	13.78
30	11.55	3.35	8.20	50	23.05	3.69	19.36

Lincoln National Life

The Lincoln National Life announces the "Five Star Annuity" policy which is a new income plan. The selling, as indicated by its name, will center around its five principal features, including low preferred risk premium rates and its flexible maturity dates. As a prospect in his early twenties or thirties cannot possibly know when he will want to retire, or have to retire, the "Five Star Annuity" allows him to defer that decision until the time comes.

This plan was the outcome of many months of study made of the strong and weak points of various retirement income and endowment annuity plans recently adopted by a number of companies.

Rates per \$1,000					
Age	at 55	at 62	Age	at 55	at 62
15	\$19.54	\$16.59	35	\$45.29	\$34.46
20	23.14	19.23	40	62.17	44.97
25	28.05	22.75	45	93.18	62.73
30	34.99	27.58	50	95.45

Atlantic Life

The Atlantic Life is issuing a new retirement income endowment at age 60 policy, supplementing a similar policy maturing at age 65.

Kansas City Life

The Kansas City Life is offering a special five and ten-year exchangeable term policy during July and August, in amounts of not less than \$2,000 and not more than \$10,000. It may be converted at any time it is in force. If converted for a new policy dated back to the original date of the term policy, the difference in premiums is payable with interest at 3½ percent per annum instead of 6 percent. If converted for a new policy at attained age, the entire reserve on the term will be allowed towards payment of the premium on the new policy.

Missouri State

Effective as to all applications made or dated on or after July 18, the Missouri State Life non-medical age limits for adult business were changed from 15-45 to 15-40 years. The maximum age limit for non-medical on salary savings will remain at 45 years.

The decision to reduce the maximum

Preferred Policies at Preferred Rates for Preferred Risks

have been featured by this company since its organization in 1907.

Agency openings are available in Illinois, Indiana, Michigan and Missouri.

BANKERS MUTUAL LIFE COMPANY

FREEPORT, ILLINOIS

Over \$1,800,000.00 paid in claims since organization

Insurance in force over \$34,000,000.00

General agencies await YOU

Are YOU ready to enlarge your world?

We have excellent General agency openings in Nebraska, Minnesota and Iowa.

Splendid contracts—strong support—Council Bluffs, Iowa; Davenport, Iowa; Rochester, Minn.; Lincoln, Nebraska

WRITE US BEFORE MAKING A CHANGE

CEDAR RAPIDS LIFE INSURANCE COMPANY

CEDAR RAPIDS, IOWA

Col. C. B. Robbins, President

Jay G. Sigmund, Vice-President and Agency Director

C. B. Svoboda, Secretary

Lifetime protection for a minimum premium outlay --

THE EMANCIPATOR

offered by --

The Lincoln National Life Insurance Company Fort Wayne, Indiana

Know Your Line

Educational conferences and conventions present practical, sales-building knowledge to COMMONWEALTH Life underwriters. They give a better grasp of the various forms of life insurance, opportunities for selling them, and the necessary technique. They deal with specific problems connected with the job of selling life insurance.

COMMONWEALTH CORDIAL CO-OPERATION

These meetings are designed to give just the right proportions of inspiration and driving force coupled with a better knowledge of how to go about it. COMMONWEALTH Life men, realizing the tremendous value of such conferences, are seriously enthusiastic about them. This, however, is only one of the many important phases of co-operation given by the COMMONWEALTH Life to its representatives.

COMMONWEALTH LIFE INSURANCE CO. LOUISVILLE, KY.

age limit was based on the high mortality record for non-medical business above the age of 40 years. This experience has been general to all life companies. One of the largest companies recently reduced its maximum to 35

years. The Missouri State Life will not include permanent and total disability benefits under group life policies on new cases to take effect on or after Sept. 1, or in any event where the master policy is to be effective on or after Oct. 1.

NEWS OF LIFE ASSOCIATIONS

War on Whisperers Declared

New Orleans Managers Agree to Report Agents Who Attack Financial Standing of Companies

Practically all of the general agents and managers in New Orleans have signed an agreement to report to the business practice committee of the Louisiana Life Underwriters Association any knowledge or evidence of agents criticizing the investments, surplus or financial standing of legal reserve life companies, or who unethically twist existing business.

"In the perilous times in which we are living," the preamble to the agreement states, "fear and a lack of confidence are apparent everywhere. The institution of life insurance, however, with its very high selection of investments and its unique position whereby companies have not been forced to take losses on investments, continues to hold a position of strength unmatched in the world of finance.

"Unfortunately, however, there have been a few cases where agents of certain companies have catered to the fears of some of the more timid of the public by raising the question of the stability of some companies. Such action is unjust, unwarranted and absolutely reprehensible, and, if persisted in, will not only shake confidence in the institution of life insurance, but will work

Program Questionnaire Is Sent Out to Members

In an effort to ascertain the viewpoint of the majority of the members of the Life Underwriters Association of Los Angeles in regard to the character of programs which are preferred for the monthly meetings of the organization, President Mead H. Horton, New York Life, has sent out a questionnaire to all members requesting replies to the following inquiries:

1. Do you favor a series of monthly meetings built to a certain plan as to subjects?
2. Do you prefer that each meeting be built around the speaker available at the particular month, without regard for a continuity of subjects in a plan?
3. Do you favor popular, mixed programs for monthly meetings, and a series of educational meetings in addition to monthly meetings?

Of the three features listed below, what in your opinion is the relative merit of each on a program?

1. Considering the three as 100 percent, what percentage of weight or importance would you assign to each? If there is a fourth or a substitute to be made, please indicate your opinion.
1. The mechanics of our business. Prospecting, approach, presentation, close, conservation, etc.? percent.
2. Entertainment, either as such for pleasure of those who would come anyway, or as a drawing card for those who need some seasoning with a program to make it attractive enough to draw them? percent.
3. Inspirational talks by persons not necessarily in our business, but who can bring us fresh viewpoints from other fields of business? percent.

Members are also requested to submit rough layouts of a sample program they would like to see put on, together with any comments or suggestions they may wish to offer.

As a result of the membership drive, the Los Angeles association added over 100 new members, bringing the total up to 425.

untold harm to every one engaged in the business."

Mississippi—Lloyd T. Binford, president Columbian Mutual Life, was the principal speaker before the Mississippi association. E. J. McCormack, special home office representative of the Columbian Mutual, was also present.

Northern New Jersey—The following committee chairmen of the Northern New Jersey association have been appointed by President Charles E. Hooper: Education, Louis G. Rude; ethics, Howard C. Lawrence; legislative, W. Reginald Baker; luncheon, William H. Kee; membership, Albert W. Olson; publicity, Charles J. Zimmerman; speakers, Charles T. Hooper. The next regular meeting will be held in October.

Des Moines, Ia.—Martin L. Seltzer, new president of the Des Moines association, has announced committee chairmen: Program, Pearce H. Young; entertainment, Leon Garber; business practice, Bernard Nowack; membership, J. C. Clapp; acquaintance, Lester Basham; educational, Earl E. Smith, and attendance, Dan J. O'Brien.

Mason City, Ia.—The Mason City association has elected the following officers: R. L. Bailey, president; Earl Leaman, vice-president, and Riley Lewis, re-elected secretary-treasurer. Earl Leaman and W. H. Huffman are directors.

Indianapolis—Plans are under consideration by the Indianapolis association to establish a free school for members, according to President E. A. Crane. The curriculum will embrace the various phases of the business. The school term, which will open in September, will be for six weeks with instruction to be given two nights each week.

Mobile, Ala.—The Mobile association increased its membership 100 percent in the year ending June 30.

Northwest Texas—At a special meeting of the Northwest Texas association in Amarillo, Tom O'Brien, Bankers Life, and J. P. McClintock, Jefferson Standard Life, both of Amarillo, were selected to represent the association at the National association meeting in San Francisco. Mr. O'Brien will also attend the imperial council of the Shrine in San Francisco, while Mr. McClintock will attend the meeting of agency managers of the Bankers Life before the national convention.

Wichita, Kan.—The Wichita association closed its year with the annual golf tournament and picnic. Emil Elder, New York Life, was chairman for the tournament, which was won by Glenn Glasgow, also of the New York Life, with a 71.

Jackson, Mich.—A picnic closed the season for the Jackson association after an unusually constructive year, in which the association increased its membership about 45 percent.

Nashville, Tenn.—At the July meeting of the Nashville association, James E. Hyde, a local psychoanalyst, gave an interesting talk on psychoanalyzing the prospect. W. D. Trabee, Jr., and J. A. Witherspoon, Jr., both of the Pacific Mutual, were elected delegates to the convention in San Francisco.

J. C. Higdon, vice-president in charge of sales of the Business Men's Assurance, is conducting one-day meetings at the Des Moines, Aberdeen, S. D., Madison, Wis., and Minneapolis branches.

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THE NATIONAL UNDERWRITER
A-1946 Insurance Exchange, Chicago

3 billion in payments

That's the amount life insurance companies paid the American public last year.

Details of this tremendous amount of "Life Insurance in Action" comes to you the latter part of this month in the Life Payments Localized number of The National Underwriter.

To keep up your production you need this big number to show your prospects how life insurance functioned one hundred per cent during one of the greatest economic depressions of history, and while other businesses fell short.

Prospects will show more personal and human interest in the *Life Payments Localized* issue than in any other selling aid you have. The number shows the individual claims for 1931, listed by states and cities. It shows the total for every town and city in the United States. Who in your city isn't interested in the claims paid there? The *Life Payments Localized* number makes an impressive soliciting aid and shows those who are hard to convince the great value of life insurance and what it actually does. When you thumb through the pages of this great number, pointing out the high spots to your prospect, you are showing him the best evidence in the world that life insurance pays and pays well.

SUBSCRIBERS

will receive free a copy of the *Life Payments Localized* number with their subscription but each life insurance office will wish an extra copy for every agent connected with it, so that he may make it a part of his sales kit. Send in your order now.

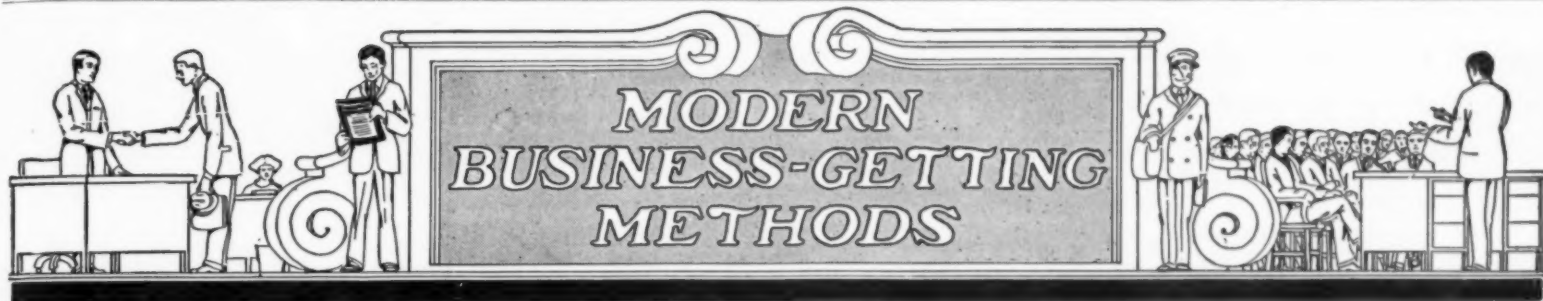
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Old Age, Cash for Estate Charges, Minimum Family Income Are Best Appeals Today, Abner Thorp Says

In his monthly letter to subscribers Abner Thorp, Jr., editor and manager of the "Diamond Life Bulletins," after reviewing the current business conditions, points out that the three selling appeals that may be most successfully used today are: old age, minimum family income and cash for estate charges. Mr. Thorp treats each of these subjects at some length showing how the presentation should be made of each. His comment is subjoined:

There is little actual change in the business situation but there is a continuing expectancy of improvement. Perhaps this should be characterized as mild hopefulness, but a strengthening of some commodity prices and the certainty that underlying influences are gradually working towards recuperation, tend to strengthen the belief that definite recovery will begin this fall.

Of importance was the action of Congress in finally enacting the tax bill and in accomplishing some measure of economy in expenditure. So long as there was any doubt as to the soundness of the government's fiscal policy, business men and investors were cautious, particularly as to new commitments.

Now, however, courage is beginning to come back.

Three Basic Appeals Sell Most Insurance

There is some significance in these facts: (1) the general level of business activity has shown little change during the second quarter of the year; (2) commodity prices have been fairly steady with some uptrend; (3) security markets suffered no net loss in June; and (4) the volume of bank credit in the main money centers has been reasonably stable since March.

It seems likely that the storm has about blown itself out and that the time to rebuild has come.

Reports from all over the country indicate that the three basic appeals that will sell the most life insurance today are: old age, minimum family income, cash for estate charges.

There can be no question as to the importance of stressing the old-age benefit of life insurance, whether the policy is ordinary life or an annuity. Every business man has seen the number of destitute 50, 60 and 70-year old men increase during the past three years. You don't hear much about it, but older men, who have lost their jobs and whose little reserves are gone, are becoming dependent, in increasing numbers, upon public or private charity.

Every wise man, no matter what his present age, should have a definite plan through which he expects to attain financial independence in old age. Few men who have gone through the past three years will contradict that statement.

What Present Insurance Plus the New Will Do

In part, of course, that is the reason for the growing popularity of annuities. Recently, an underwriter wrote:

"I have been head over heels in work due to the fact that I am afraid this depression will soon be over, and I want to cash in on the present frame of mind by selling as many annuities as possible. I have been putting in long hours and getting wonderful results—better than ever before in my insurance career."

Many underwriters who use the audit or estate analysis method of selling have made it an invariable rule to close their recommendation with the statement of what the present insurance, plus the proposed insurance, will do for the insured himself when he retires.

Do you know of any better way to meet the "cost" objection than by showing that the money will come back to the policyholder himself when he gets old? Do you know of any better way to meet the procrastinator than by showing that the delay of a year in starting the retirement plan means a delay of a year in starting his retirement? Do you know of any better, all-round, selling appeal for any article than the selfish appeal—what it will do for you?

Our judgment as to the importance

of this appeal is indicated by the fact that we are publishing two sales talks on the subject—one this month under the title "Minimum Family Income" and one next month under the title "The Irreducible Minimum." It is not too much to say that the life underwriter is working under a serious handicap who cannot strongly present the American philosophy: "Every man takes care of his own."

The reason for the appeal of the minimum family income today is that people are thinking in terms of minimums rather than maximums; they are thinking in terms of necessities rather than luxuries; they are thinking in terms of food, clothing and shelter, rather than trips to Europe and old master paintings.

Many Have Seen Their Pay Checks Go A. W. O. L.

Men everywhere have had relatives, friends, or acquaintances who have been brought close to charity by their paychecks going A. W. O. L. It is not difficult to show such men that their families may be placed in a similar situation unless they have provided a permanent minimum monthly income. And life insurance is the only certain and immediate way of so providing it.

The man who wants his family to maintain a decent standard of living even if he should not be here to see them enjoy that decent standard; the man who will accept his responsibilities, face them, and take care of them, will buy life insurance today to provide a minimum life income.

The recently enacted revenue act not only greatly increases taxes on large estates but taxes many other estates heretofore exempt. In one case, a \$400,000 estate would pay \$1,352 in federal estate taxes, as of May, 1932. After June 6, the same estate would pay federal estate taxes of \$20,307.

No one knows, yet, how big an opportunity this is for life insurance men. For underwriters who deal with clients owning \$50,000 or more of property, it would seem to be of enormous importance.

No one knows when the security market will get better. No one knows how long it will be until real estate is readily sold at a fair price. Meanwhile, should the owner die, and the heirs have to raise cash to pay estate charges by the sale of depreciated property, there

Family Income, Limited Pay Plans Are in Lead

Family income policies and limited payment life plans show the greatest percentage of gain in popularity among applicants for policies in the Fidelity Mutual Life. These were the only classifications to show gains in the brackets over \$10,000 and less than \$10,000. Gains in the more than \$10,000 class were led by endowments at 85, while family income headed the plans showing gains in the other class.

Analysis of sources of business shows percentage gains greatest among students, executives and skilled workers, in the order named. Considering the less than \$10,000 group by itself, students and skilled workers showed the greatest gains. But a study of the more than \$10,000 group shows the executive classification had the greatest gain, followed by manufacturers, doctors, dentists and druggists.

would be very serious financial loss—a loss that, perhaps, would wipe out a considerable portion of all the owner had labored for.

The story is told of a very capable underwriter who spent two days in a hotel room with a policyholder and his two attorneys, threshing out the question of estate charges. It became certain that total charges would approximate half a million dollars. Finally, after two days of wrangling, the underwriter requested permission of his policyholder to ask the attorneys two questions.

Thousands Have Found Insurance Good Vocation

"Is it certain that there will be estate charges of at least half a million dollars upon Mr. A's estate?" The answer—"Yes."

"Do you know of any less expensive way of providing this cash than by means of life insurance?" The answer—"No."

"Then," said the underwriter, turning

Compensation--

There is a reason why the institution of life insurance is triumphantly riding the waves of national financial distress. The reason lies not in good luck, not in vast profits, not in tricky manipulations. It lies in something so obvious, so axiomatic, so simple that the average mind passes over it by virtue of its very tendency to search for obscure causes.

Life insurance has survived, and will survive, because its cornerstone is scientific conservatism. Quick profits, speculation, guesswork, grasping at the temporarily expedient have no place in its methods. It realizes that, at the bottom of the wine of prosperity, are the inevitable drags of depression—and in times of plenty it entrenches itself against the attacks of panic. It survives the worst because it cherishes the best.

Life insurance is neither pessimist nor optimist—it is cold, calculating science that recognizes human frailty and deliberately nullifies its evils.

AMERICAN CENTRAL LIFE INSURANCE COMPANY
Indianapolis, Indiana

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to the wealthy man, "may I ask you just to sign these papers?"

Most men find it not easy to sell their accustomed volume of life insurance in the year 1932. Some are discouraged; many are only half-hearted in their enthusiasm.

Please! keep these thoughts in mind: 1. Thousands upon thousands of men entering the life insurance business during the past two years could not have been induced to enter it three or four years ago. At last they have discovered that ours is a good vocation. Life insurance has probably suffered less and has probably done more to prevent worse business conditions, than any other single institution. Men are discovering the advantage of life insurance as a life work.

Will Be Sitting Pretty

2. The man who sticks it out now, works hard, builds up his clientele, perfects his selling technique, spends his spare time studying the life insurance business instead of waiting or listening to tales of woe, will be sitting pretty a few years hence.

This nation is becoming insurance-minded. Home offices are learning how to give a lot of protection and service for little money. Field forces are learning how to prospect, how to control time, how to present their service.

We are at the bottom of a depression. The law of gravity notwithstanding, we are about to find that the climb upward to prosperity is much more pleasant than the preceding slide. Millions of people want to make things for millions of people who want to buy them—but they can't seem to get together. Some day they are going to get together and great will be the rejoicing—and the money.

Life Continues

Meanwhile, men die, babies are born, boys and girls marry, places of amusement flourish, and life continues. Beautiful summer days will be followed by the glorious cool days of autumn.

There will be more life insurance sold in America during the next ten years than in any previous ten years in this country's history. Be on hand to get your share.

Study Surrender Charge Problem

(CONTINUED FROM PAGE 1)

than the time over which it may be applied.

For the majority of insurance written, Louisiana in effect defines the maximum amount which shall be charged. The law there provides that the charge may not exceed 20 percent of the reserve. In New York the maximum charge may be either 20 percent of the reserve or 2½ percent of the face amount, whichever is larger.

Would Have Limit Scale

A company entered in Louisiana and having a surrender charge applying for ten years, for example, would have to limit itself to the Louisiana scale for the first few years of the policy until the Louisiana scale exceeded its own scale, after which it would apply its own schedule.

Julius Barnes in Official Family

(CONTINUED FROM PAGE 3)

Mr. Barnes and his cohorts at the suggestion of St. Louis business leaders and others interested in the Missouri State Life have taken an active part in the organization of the Kentucky Home Life, which is to take over the Inter-Southern Life. The Inter-Southern owns 148,050 shares of Missouri State or about 29 percent of the outstanding stock. Arrangements are now being made to place this block and other large holdings in the Missouri State in a voting trust that will run for at least five years. This trust will be administered by three selected trustees. It is expected that through this course the company will be placed entirely outside the field of financial speculation and will give permanency in administration. It is reported that Mr. Barnes and W. T. Nardin, president of the Missouri State Life, will be two of the voting trustees.

Mr. Barnes at his Duluth office heads a large wheat exporting company. He served as president of the United States Chamber of Commerce from 1922 to 1924 and has been chairman of the board since 1929. He resigned from the latter position last May but no successor has as yet been appointed.

Claims of Ad Men Are Scrutinized

(CONTINUED FROM PAGE 3)

three industrial companies did better than the average of the ten non-advertising companies, while the one ordinary company which advertised consistently over this ten-year period did less well, we must conclude that there were other factors beside national advertising which caused the industrial giants to forge ahead, and that at best advertising was a minor item.

"In one of the graphs shown in Mr. Dickinson's article, the percentage records of the 14 companies are shown for 1921-31 on paid-for business. Taking 1921 as 100 percent, the increase above that mark is shown, for the four advertisers as a group and then for the non-advertising group, the graph showing a more rapid increase in the boom and a slower downward reaction to the slump for the former group than for the latter. However, if the record of the single ordinary company in the advertising group is taken by itself and compared with that of the non-advertising group it is seen that it is below the non-advertisers all the way along the line until we reach 1930, when it made a slight percentage gain while the group of ten showed a decline. Several explanations have been advanced for this gain in the face of the general downward reaction by other ordinary companies, one of the most likely being that the Phoenix gets a larger percentage of its business than the average company from its full time men rather than from brokerage sources, whom it was better able to direct through the early part of the slump. However, the Phoenix came down to about the same level as the non-advertising group for 1931.

"Thus, in only one year out of the

ten years studied did the only advertising company which can be compared with the ten non-advertisers excel the latter group in percentage gain in paid-for over its 1921 volume. Even allowing advertising all the credit for the Phoenix Mutual's 1930 record, when it exceeded the non-advertisers' average gain, the case for national advertising to the consumer is very far from being as strong as an unanalytical reading of Mr. Dickinson's article would make it."

Mutual Trust Agents' Outing

The Minneapolis and St. Paul general agencies of the Mutual Trust Life held their joint outing and picnic last Saturday. O. I. Hertsgaard is general agent at Minneapolis and R. N. Meloney general agent at St. Paul. A. B. Slatengren vice-president, and C. I. Ramstad, field supervisor, attended from the home office.

Open New Radio Station

The opening of the new radio station KFBI at Abilene, Kan., owned by the Farmers & Bankers Life of Wichita, was marked by a week's celebration climaxed by a huge historical parade. The radio station has been operated for the past two years by the Farmers & Bankers at Milford, Kan.

Send for details of
International Sales Club
 Much in opportunity and material. Dues \$3 a year.
The Insurance R & R Service
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